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MOSCOW SAYS COMPROMISE UNLIKELY IN ARMS TALKS

OW190515 Beijing XINHUA Domestic Service in Chinese 1240 GMT 17 May 83

[Roundup by XINHUA reporter Wang Chongjie: "Moscow Does Not Believe That Soviet-U.S. Talks in Geneva Will Reach a Compromise"]

[Excerpts] Moscow, 17 May (XINHUA) -- The Soviet-U.S. talks in medium-range nuclear weapons in Europe resume in Geneva today, but Moscow does not believe a compromise will be reached during the talks.

On the eve of the resumption of these talks, news agencies in Moscow have all admitted that the Soviet-U.S. talks in the past 1 and 1/2 years "have remained deadlocked." That "the stands taken by both sides have not come close" and that "the results of the talks are equal to zero." But Moscow has shifted to the United States the blame for the lack of progress in the talks. PRAVDA writes: "The blame is on the United States." Soviet official circles have strongly condemned the U.S. delegate for bringing a "transitional plan" to the conference table.

With regard to the prospects of the talks, the 16 May IZVESTIYA evening edition puts forth four points of "doubt" as to whether or not the Soviet Union and the United States can "reach a compromise and a mutually acceptable agreement."

1. "The search for a compromise is incompatible with the general principle of U.S. foreign policy; its firm foreign policy principle is to confront the Soviet Union with strength."
2. "The Pentagon has in the past planned and at present plans to deploy new missiles (in Western Europe) regardless of any talks. Americans want to have weapons in Europe for launching a first strike."
3. "Every single U.S. plan has ignored the existence of the British and French nuclear potential. In this respect, Washington has used the negative attitude taken by London and Paris as an excuse." "Any wise compromise plan must take (the British and French missiles) into consideration."
4. "U.S. delegation chief Nitze is undoubtedly an expert, and an experienced and serious person. But it is very hard to describe him as an enthusiast for disarmament."

The above views expressed in Moscow are all onesided, but they further tend to indicate that the squabbling between the two superpowers in Geneva cannot lead to any "positive results."

RENMIN RIBAO VIEWS EUROPEAN NUCLEAR ARMS TALKS

HK180207 Beijing RENMIN RIBAO in Chinese 17 May 83 p 7

["New Analysis" by Gong Weixin: "The Present State and Prospects of the European Nuclear Arms Talks"]

[Text] Four rounds of talks have been held since the U.S.-USSR European medium-range nuclear arms talks began in November 1981, and the fifth round of talks will begin on 17 May. In the last year and a half, three rounds of debates have been held on U.S.-USSR missiles in Europe. The first round was developed around the "zero option" and "freezing the status quo." U.S. President Reagan put forward a "zero option" prior to the talks advocating that all Soviet land-based medium-range missiles should be withdrawn that the United States would agree not to deploy Pershing II and cruise missiles in Western Europe. This was opposed by the Soviet Union on the grounds that this would be tantamount to unilateral Soviet disarmament.

It put forward two "options:" 1. The withdrawal of all nuclear arms by both sides so that there will not only be no intermediate-range nuclear arms but also no tactical nuclear arms in Europe. This plan is wholly aimed at U.S. nuclear forces in Western Europe as well as the nuclear arms of Britain and France. It has very little effect on the Soviet Union which only moves these arms from Europe to Asia, where they not only threaten the security of Asia, but if necessary, they can also be used to strike at Western Europe. 2. The Soviet Union advocates a "freezing" of nuclear arms in Europe at the present level, and then further discussion of a plan for reducing the "frozen status quo" on a "reciprocal basis" by both sides. In this way, not only can the Soviet Union keep its intermediate-range missiles in Europe, but the United States will also be unable to deploy its new type of missiles in Western Europe. From this it can be seen that both the "zero option" of the United States or the "freezing the status quo" of the Soviet Union are aimed at placing the other party in an unfavorable position, and it is only natural that both sides cannot come to an agreement.

The second round began with the "new proposal" made by the Soviet Union last December. Not long after Soviet leader Andropov took the stage, he made a new "proposal" that as long as the United States will not deploy new missiles in Western Europe, the Soviet Union would reduce its medium-range missiles in the European theater to a level equal in number to the British and French missiles. There is a slight change in this proposal from the previous plan, in that the Soviet Union has for the first time said that it can first discuss the land-based medium-range missiles before discussing the other medium-range weapons. However, its essence is still to shoot down the U.S. plan of deploying new missiles in Europe while continuing to maintain its superiority in medium-range missiles. For the sake of breaking away from the passive situation, Reagan in an open letter to the people of Europe on 31 January this year proposed holding a meeting with Andropov and signing an "agreement prohibiting all U.S. and USSR land-based medium-range nuclear missiles" in an attempt to kick the ball back to the Soviet side.

The third round began not long after the contention over the "latest proposals" made by both the United States and the Soviet Union. Reagan proposed on 30 March this year an "interim agreement" on the reduction of land-based medium-range missiles on a reciprocal basis, that is, the United States would greatly reduce the number of missiles it originally planned to deploy, and the Soviet Union would reduce the number of warheads on its land-based medium-range missiles on a global scale to the same level as the United States. He also stressed that the Soviet Union cannot reduce its missiles in the European theater by increasing its missiles in the Asian theater. The Soviet Union has rejected Reagan's proposal on the grounds that it is in fact a reprint of the "zero option." On 5 May, Andropov again made a new "proposal" expressing his willingness to "prepare an agreement including not only the carriers but also the question of nuclear warhead capacity in Europe" with the United States. He also said that this agreement must take into consideration the relevant weapons of Britain and France. Although this proposal of the Soviet Union agrees to take warheads as the unit of calculation for reduction, its emphasis on maintaining nuclear arms parity between the Soviet Union and various NATO countries is in essence still an attempt to restrict U.S. nuclear forces in Europe.

Judging from the condition of the talks, although both sides have made countless proposals for disarmament, the basic stand between them is still antagonistic. In their contention for hegemony, both the United States and the Soviet Union proceed from a position of strength, and neither will relinquish any opportunity of gaining military superiority. The Soviet policy in the talks is to use every effort to prevent or delay the United States from carrying out its plan of deploying missiles so as to maintain its military superiority in the European theater.

Whereas the U.S. strategy is to pressure the Soviet Union into making concessions with its "zero option" and "interim agreement," and to weaken the Soviet nuclear forces in Europe.

The U.S.-USSR contention over missiles in Europe is an important component of their struggle for global hegemony, and the progress of the talks cannot be but conditioned by their overall strategy. On the other hand, the U.S.-USSR nuclear talks are in a certain sense the regulator of relations between the two countries. Under given conditions, they can also reach a certain "agreement." In the present U.S.-USSR European nuclear arms talks, because the dateline of the NATO plan for deploying missiles is drawing near, both sides are faced with a serious choice, and all kinds of factors can also exert an influence on the talks.

At present the West European countries have mixed feelings toward the deployment of the new U.S. missiles. On the one hand, they feel that the Soviet deployment of SS-20 missiles is threatening the security of Western Europe, and they are thinking of using the new U.S. missiles to deal with the Soviet Union and restore the "reliability of the nuclear deterrent." On the other hand, they are also afraid that after the deployment of U.S. missiles, the U.S.-USSR nuclear confrontation will become more serious and tension in Europe will be exacerbated. What they hope for most is that an agreement can be reached by means of negotiations whereby both the United States and the Soviet Union will not deploy missiles in Europe, or that the deployment of U.S. and USSR missiles in Europe can be reduced to a minimum. Therefore, they are expressing dissatisfaction over the stagnation of the U.S.-USSR talks. They are not only denouncing the Soviet Union for trying to maintain nuclear superiority, but they are also calling on the United States to adopt a more flexible attitude in the talks. The governments of the West European countries have also been in varying degrees subjected to pressure and restriction from the antinuclear peace movements inside their countries. In order to undermine the U.S. plan for deploying missiles, the Soviet Union has used both hard and soft tactics on the West European countries, and West Germany in particular, and tried its utmost to influence the antinuclear peace movement and split the European-U.S. alliance. In order to carry out its plan to deploy missiles in Western Europe, the United States is making efforts to harmonize relations with its West European allies and to win them over to support its position in the talks. It seems that the intention and attitude of Western Europe, as well as the struggle between the United States, the Soviet Union and Western Europe round the European nuclear arms talks will to a very great extent affect the progress of the U.S.-USSR talks.

Furthermore, although both the United States and the Soviet Union have the intention of winning superiority by overwhelming the other side, both are at present faced with difficult internal and external problems, and all these will also have an affect on the talks. Judging from America, its domestic economy has sunken into a grave crisis for 3 consecutive years. There were signs of a recovery in the early part of this year, but the pickup is very slight. Although the Reagan administration has the ambition to restore military superiority, its ability is not equal to its ambition, and the forces against an arms race in America cannot be ignored either. Judging from the Soviet Union, its domestic economy is also none too good, and externally, such burdens as Afghanistan and Kampuchea are very heavy.

Therefore, the prospects of the U.S.-USSR nuclear talks are difficult to predict. However, whatever the outcome, the struggle between the United States and the Soviet Union round European nuclear arms will still continue.

USSR AGREES TO GRAIN NEGOTIATIONS WITH U.S.

OW182334 Beijing XINHUA in English 1854 GMT 18 May 83

[Text] Washington, May 18 (XINHUA) -- The Soviet Union has agreed to negotiate a long-term grain agreement with the United States, the U.S. Government announced yesterday.

Deputy Secretary of Agriculture Richard Lyng said that Soviet Ambassador Anatoliy Dobrynin telephoned Secretary of State Shultz Monday night to accept the proposal to renegotiate a deal, which was offered by President Reagan on April 22.

A previous five-year grain agreement between the United States and the Soviet Union, initiated in 1976, expired in September 1981. It had accounted for about 70 percent of Soviet grain imports until President Carter imposed an embargo in January 1980 after the Soviet military invasion of Afghanistan. In April 1981, President Reagan lifted the embargo, but by then the American share of Soviet grain imports dropped to about 20 percent. The Soviet Union already had long-term grain agreements with Argentina, Australia and Canada under which it could buy about 11 million tons of wheat and corn a year.

The old agreement between the United States and the Soviet Union has been extended temporarily each year since it expired. Earlier this year the U.S. Government offered to sell the Soviets at least 23 million tons of grain, but they so far have purchased only 6.2 million tons for this fiscal year. They showed little interest in purchasing more without a new long-term agreement.

At a news conference last night, President Reagan said his decision will "restore something of what we lost with the embargo," "restore us as being viewed as a dependable provider" and "I think the benefit will accrue to us, certainly, as much as to them."

Lyng said that no details have been set for the negotiations, but officials of the two governments are scheduled to meet in London next month to discuss the issue. The U.S. Agriculture Department recently forecast a larger Soviet grain crop this year than in 1982. The department believes the Soviets will import a total of about 37 million tons of grain this year.

U.S., USSR DEBATE CENTRAL AMERICA ISSUE AT UN

OW190734 Beijing Xinhua in English 0716 GMT 19 May 83

[Text] United Nations, May 18 (XINHUA) -- The Soviet Union and the United States at the Security Council meeting today accused each other of interfering in Central American affairs.

Speaking of Nicaragua's complaint against the United States, Soviet representative Oleg A. Troyanovsky asserted that all the facts have proved the charges of Nicaragua that an invasion of Nicaragua, financed by the United States and launched from a neighboring country, is under way. He cited the American representative's criticism of Nicaraguan internal policies as evidence of Washington's interference in another country's internal affairs. Since the U.S. President called the Somozist counter-revolutionaries "freedom fighters", why is it, he asked, that the United States does not call the Southwest Africa People's Organization (SWAPO) "freedom fighters" when the United Nations has recognized SWAPO as the sole, legitimate representative of the Namibian people?

American representative Jeane J. Kirkpatrick retorted that it is indeed cynical to speak of peace when the Soviet Union has, with arms and military advisers, flooded the Central American region in line with the hegemony of the Soviet Union vis-a-vis its "client states." She cited the death of 300 Afghans from Soviet bombing as an example to show that it is the Soviet Union, rather than the United States, that has committed "bloody crimes." She said that the United States would support verifiable agreements to end the importation of all arms to Central America, to end the presence of all foreign military advisers and to observe respect for all mutual borders.

PEOPLE'S BANK TO REPAY IMF LOAN EARLY

OW190812 Beijing XINHUA in English 0746 GMT 19 May 83

[Text] Beijing, May 19 (XINHUA) -- The People's Bank of China is to pay back its loans from the International Monetary Fund (IMF) tomorrow, 10 months before their due date.

The bank took its credit from the IMF in March of 1981, a total of 450 million special drawing rights (about 553 million U.S. dollars) to meet China's adverse balance of international payments, according to a bank official.

With a turn for the better in China's foreign exchange earnings, the People's Bank of China has decided to make repurchase to the IMF beginning May 20 of this year, the official said. Under the agreement, the due date is March, 1984. The bank will first repay 334 million special drawing rights. The rest will be paid in the third quarter of this year, the official said.

HONGQI COMMENTARY VIEWS SOUTH-SOUTH COOPERATION

OW180750 Beijing XINHUA in English 0706 GMT 18 May 83

[Text] Beijing, May 18 (XINHUA) -- South-South cooperation has a solid political and economic foundation; it is a manifestation of the new international economic order.

This is stated in a commentary in the latest issue of RED FLAG, journal of the Chinese Communist Party Central Committee. The commentary says the struggle to destroy the old and foster the new in the international economic field hinges to a large extent on the growth of the economic strength of Third World countries and their unity and co-operation.

"The greater the economic strength of Third World countries, the greater the role they can play in containing the super-powers which cling to a rigid position and arrogant attitude on North-South issues," it says. "South-South cooperation will unite Third World countries, which are dispersed and comparatively weak in their economy, into a powerful international force and strengthen their position in negotiations with the developed countries," the commentary says. "This will help to break the stalemate in the North-South dialogue, solve more problems between the North and the South and create a new situation in reforming international economic relations."

The commentary says economic relations between Third World countries should focus on economic and technical cooperation on the basis of mutual benefit. Free economic assistance provided by countries which had won independence earlier was instrumental in helping newly independent countries smash imperialist sabotage and increase their capability of economic independence, the commentary recalls. In the future, some necessary aid, if possible, should still be offered to those countries which are in most serious difficulties.

But it would be difficult for an economic relationship based mainly on unilateral assistance to expand and last long, it says. Only the principle of equality and mutual benefit will make South-South cooperation a source of strength for promoting the economic development of each country and only this kind of cooperation has bright prospects and great vitality, the article says.

The commentary says China treasures and supports South-South cooperation and has worked to promote economic and technical cooperation with other Third World countries. The guiding principles in this regard are: "equality and mutual benefit, stress on practical results, diversity in form and achievement of common progress." Following are some of the figures listed in the article to show the scale of such cooperation: China's trade with other Third World countries accounts for 23 percent of its total imports and exports; by the end of 1981, China had undertaken 1,317 construction projects for other developing countries, of which 987 had been put into operation; and China has so far sent 180,000 experts, engineers and technicians to help other Third World countries.

WAN LI MEETS FOREIGN RUBBER EXPERTS 18 MAY

OW181258 Beijing XINHUA in English 1214 GMT 18 May 83

[Text] Beijing, May 18 (XINHUA) -- Vice-Premier Wan Li said China will strengthen cooperation with other countries in rubber research and production.

He made this statement this afternoon when meeting Chinese and foreign experts attending an international rubber symposium which opened May 12 and is scheduled to end tomorrow.

China is working hard to increase its rubber production which now still falls behind needs, Wan Li said.

Chinese experts and experts from Brazil, France, the Ivory Coast, India, Indonesia, Malaysia, Sri Lanka, and Thailand attended this afternoon's meeting in the Great Hall of the People.

CORRECTION TO FIGURES OF U.S. GRAIN SALES TO USSR

The following correction applies to the item entitled "JINGJI RIBAO Views U.S. Grain Sales to USSR" published beginning on page A 1 of the 18 May China DAILY REPORT: page A 2, paragraph 3, lines 2 through 6 should read:

"...in 1979, the Soviet Union imported over 60 percent of its total grain import from the United States, while last year the percentage of imported American grain only accounted for 20 percent of its total grain import...." (correcting figures)

USSR DENIAL OF SUBMARINE IN SWEDEN 'USUAL TRICK'

HK190920 Beijing RENMIN RIBAO in Chinese 18 May 83 p 7

["International Jottings" by You Xin: "Denial is Futile"]

[Text] Recently, the Swedish Government published a study by experts on the Soviet submarine intrusion into Swedish waters in October last year. The report verified that the Soviet activities violated Swedish sovereignty. But Moscow flagrantly denied the charge and asserted that the report was "groundless." TASS even fiercely accused the Government and people of Sweden of spreading rumors and launching a "provocative movement" against the Soviet Union. It flatly denied that the submarine that intruded into Sweden's waters was a Soviet submarine. It alleged that the Soviet Union did not want or need to spy in Swedish waters. By speaking plausibly, the Soviet authorities put on an overbearing air.

However, pleading innocence in this way is hardly convincing. As everybody knows, Sweden has repeatedly lodged protests against Soviet submarine intrusions into its waters in recent years. But Moscow has always tried by every means to deny this. Only when one of its submarines became stranded near a Swedish Navy base could the Soviet Union not continue to make denials because now there was ironclad evidence. At that time, it had no other choice but to make a humiliating apology. This scandal remains fresh in people's minds. How can Moscow now say that it did not want or need to spy in Sweden's waters?

If it is not caught red-handed after it does evil, it always stubbornly refuses to admit its crime and even tries to make unfounded countercharges. This is a usual trick of the Soviet hegemonists which is known to all. The villain who sues his victim before he himself is prosecuted only doubles the people's feelings of repugnance. That is all there is to it!

MATERIALS ON SOUTH KOREAN HIJACKING AFFAIR

Plane Returns From Seoul

OW181128 Beijing XINHUA in English 1100 GMT 18 May 83

[Text] Beijing, May 18 (XINHUA) -- CAAC's Trident airliner No 296, which had been hijacked to South Korea by six armed thugs May 5, flew back to Beijing from Seoul at 12:30 p.m. today. Wang Yongchang, the radio operator who had been seriously wounded by the hijackers and had received medical treatment in South Korea in the past few days, arrived with the plane. Also back here with the plane were 12 other people including crew members, technical experts and medical workers who had been sent to Seoul to take back the plane.

They were greeted at Beijing airport by Shen Tu, director general of the Civil Aviation Administration of China, and other welcomers including Wang Yongchang's wife, Lu Yunzhi. Young women from the Beijing Regional Administration of CAAC presented bouquets to Wang Yongchang and the crew members.

Having been taken over by the armed thugs, the airliner was forced to land on Chunchon airfield in South Korea. Before the plane moved to Kimpo International Airport from Chunchon on May 15, CAAC aviators and technicians made a technical check-up of the plane with the assistance of technicians from the South Korean Civil Aviation Bureau. The Chunchon airfield was given a technical treatment to ensure the smooth take-off of the Trident. After the plane moved to Kimpo International Airport, further technical check-ups were made by the aviators and technicians.

After the airliner landed at Beijing airport, Liu Yuanfan, head of the technical group for taking back the plane and deputy director of the CAAC Beijing Regional Administration, said he thanked his South Korean colleagues for helping the return of the jetliner No 296.

He pointed out to reporters the evidence of the hijackers' crimes which still remains inside the plane -- the bullet holes left by the hijackers, blood stains and Wang Yongchang's bloodstained pants.

Wang Yongchang, lying on a stretcher, condemned the six thugs headed by Zhuo Changren for their criminal actions of hijacking and shooting at people. He demanded that the South Korean authorities turn the criminals over to the Chinese judiciary to be punished according to law.

[Beijing Domestic Service in Mandarin at 1000 GMT on 18 May in a similar report adds: CAAC Director Shen Tu said: Airliner No 296 flew back smoothly. The party, government, and people are very much concerned about you. Now we are all very happy. The engineers and technicians who arrived with the plane did a lot of work and took effective measures. He said: In handling the hijacked plane incident, the South Korean authorities cooperated with us in accordance with relevant international conventions. He expressed his praise for such a cooperative spirit. He thanked personages of the quarters concerned who had rendered assistance.]

'Hotline' To Be Installed

SK190432 Seoul YONHAP in English 0313 GMT 19 May 83

[Text] Tokyo, May 19 (YONHAP) -- Japanese newspapers reported Thursday that South Korea and mainland China agreed to set up a telex circuit at the Kokusai Denshin Denwa Co. of Japan to ensure prompt communication in the event of a future emergency which may involve the two countries. The agreement came during recent bilateral negotiations in Seoul over the return of the hijacked Chinese airliner. Quoting government sources, the newspapers said that the hotline will be a stepping stone toward improved relations between the two countries.

Radio Operator Condemns Hijackers

OW181314 Beijing XINHUA in English 1243 GMT 18 May 83

[Text] Beijing, May 18 (XINHUA) -- South Korean authorities should hand the six hijackers over to the Chinese Government to be punished by law because they committed the serious crimes of hijacking and shooting to kill. Wang Yongchang, radio operator of the hijacked CAAC airliner No 296, said this to reporters while he was being carried off the plane at Beijing airport today. Wounded by the armed thugs who hijacked the airliner to South Korea on May 5, Wang Yongchang returned to Beijing with the hijacked aircraft earlier today.

"I was an eye-witness to the hijacking as well as a victim," Wang said. "They shot at people aboard the plane, seriously endangering the lives of the passengers and the crew, and inflicting heavy wounds on Wang Peifu and me. I am not yet fully recovered from the wound." He said that the criminal actions of the hijackers violated the Chinese law. He demanded that the South Korean authorities turn them over to China in accordance with the relevant articles of the international civil aviation conventions so that the thugs could be punished according to law. As a result of the medical treatment he received in South Korea in the past 12 days, Wang Yongchang is now on his way to recovery. He was rushed to the hospital for further treatment after arriving at Beijing airport.

Jurist Urges 'Severe Punishment'

OW181443 Beijing XINHUA in English 1335 GMT 18 May 83

[Text] Beijing, May 18 (XINHUA) -- "Only by severely punishing Zhuo Changren and the five other hijackers can the universally accepted Hague 'Convention for the Suppression of Unlawful Seizure of Aircraft' of 1970 be vindicated," said Chen Tiqiang, a noted Chinese professor of international law, in an interview with XINHUA here today.

Zhuo Changren and the five other armed thugs hijacked to South Korea the airliner No 296 of the Civil Aviation Administration of China (CAAC) which took off from Shenyang in northeast China on May 5. As a result of consultations between a Chinese working group led by Shen Tu, CAAC director-general, and the South Korea side in Seoul, the Chinese passengers, the hijacked airliner and its crew have returned to China. But South Korea has not yet returned the six hijackers.

Chen Tiqiang, professor at Beijing University and the Institute of Foreign Affairs and vice-president of the Chinese Society of International Law, said that the fundamental purpose of the Hague Convention is to get all signatories to the convention to cooperate in severely punishing hijackers and ensuring the safety of persons and property in an aircraft. The convention has served to maintain the confidence of the people of the world in the safety of civil aviation and promote this industry. After recalling a series of hijacking incidents which had occurred in other parts of the world. Professor Chen said it should be affirmed first of all that hijacking is not a political offense but a criminal one. He quoted Article 7 of the Hague Convention as saying that "the contracting state in the territory of which the alleged offender is found shall" submit the case to its competent authorities "for the purpose of prosecution," and "those authorities shall take their decision in the same manner as in the case of any ordinary offense of a serious nature."

The "ordinary offense" here refers to ordinary criminal offence, Professor Chen said. "No matter how the hijackers would explain, their action of hijacking an airliner constitutes a criminal offense as confirmed in the convention."

Some people argued that Zhuo Changren and the five other hijackers should be treated as political offenders, the professor said. Such an argument represents not only a hostile attitude toward the country to which the offenders belong but also a violation of the Hague Convention. If this argument could stand, the convention would become a mere scrap of paper, the professor stressed. There is also the argument that the hijackers should be set "free" on the principle of "humanitarianism," Professor Chen continued. Those who hold such an argument are working for a sinister purpose out of ulterior motives. They show no regard for the lives of passengers and crew members while trying to protect the "freedom" of the hijackers. Those people mouth "humanitarianism" but mock at it in reality, he said.

Professor Chen urged the South Korean authorities to observe the Hague Convention and called for severely punishing Zhuo Changren and the five other criminal offenders. Handing down a token judgment and then setting the criminals free, or releasing them on parole or letting them receive medical treatment outside prison after a short period of imprisonment, are all actions violating the Hague Convention, he said. Zhuo Changren and the five other thugs, he noted, committed the crime of hijacking in a Chinese airliner over Chinese territory. The six hijackers and most of the victims are Chinese. Therefore, China, more than anyone else, is entitled to exercise jurisdiction over the case. In this sense, the convention vests China with the right to demand that the hijackers be sent back for punishment, Professor Chen said. The well-known scholar who had lectured in several American and European countries expressed the hope that South Korea would take concrete action and conscientiously implement the international convention.

RENMIN RIBAO Views Hijacking

HK180952 Beijing RENMIN RIBAO in Chinese 18 May 83 p 1

["Today's Talking Point" column by Ze Ming: "Hijacking and 'Humanitarianism'"]

[Text] Hijacking is a crime which runs counter to humanity. This is acknowledged throughout the world. Hijackers nearly killed our aircraft's crew members with lethal weapons and threatened with violence the lives and freedom of the passengers. No matter who they are (let alone their being criminals), they must be severely punished for their crimes according to any moral or legal standard. We express our thanks to people all over the world who upheld justice in the case of the Civil Aviation Administration of China aircraft No 296 hijacked by armed thugs, and who assisted Chinese travelers and crew members to return to China, and maintained that the hijackers must be severely punished.

However, unexpectedly there are a few people in the world who have said that we must treat with "humanity" the criminals who hijacked the plane. This is very strange. These six hijackers did not treat the 100-odd Chinese and foreign travelers and crew members with humanity (it was precisely these respectable, heroic, resourceful, calm, and skillful crew members who safeguarded the safety of all the travelers and the airliner itself). Why then must we treat them with humanity? Such people have identified with inhuman criminals. Do they still have any humanity? Do they deserve to be treated with humanity?

Various types of people who advocate humanity in this world may draw a lesson from this. Abstract humanity and humanitarianism do not exist in this world. We have to stand either on the side of the great majority of kind and upright people, or on the side of various kinds of criminals (unfortunately, these scoundrels are also men, and consequently, those who support them can somehow find "reasons" for treating them with humanity, such as asking people not to give tit for tat). Who is hostile to the great majority of people? Only after making a clear distinction in this respect can we talk about humanity, humanitarianism, human nature, human rights, and human dignity. If a clear distinction is not made in this respect, no matter how often these beautiful terms, such as humanity, humanitarianism, and man itself, are used, they will unavoidably be made use of by criminals who oppose the great majority of the people and by their conscious and unwitting accomplices.

KCNA ANNOUNCES FOREIGN MINISTER WU'S DPRK VISIT

SK190039 Pyongyang KCNA in English 2204 GMT 18 May 83

[Text] Pyongyang May 19 (KCNA) -- Comrades Wu Xueqian, member of the Central Committee of the Communist Party of China and foreign minister of the People's Republic of China, will shortly pay an official goodwill visit to our country upon the invitation of the government of the Democratic People's Republic of Korea.

DENG LIQUN MEETS, FETES KCNA DELEGATION

OW181441 Beijing XINHUA in English 1347 GMT 18 May 83

[Text] Beijing, May 18 (XINHUA) -- Deng Liqun, member of the Secretariat and head of the Propaganda Department, of the Chinese Communist Party Central Committee, met with a delegation from the KOREAN CENTRAL NEWS AGENCY led by General Director Chu Hyon-ok at the Great Hall of the People here this afternoon.

During the meeting, Deng Liqun said the friendship sealed in blood between the Chinese and Korean people should go down from generation to generation. "Our two countries should strengthen friendly cooperation and learn from and help each other in all fields," he added. Deng Liqun spoke highly of the outstanding achievements made by the Korean people in their socialist construction under the leadership of the great leader Kim Il-song.

Chu Hyon-ok said: "The friendship between our two peoples is great and invincible." He said that the principles and policies set forth by the Third Plenary Session of the 11th Party Central Committee and the 12th national party congress are absolutely correct and in the interests of the people.

Deng Liqun briefed the Korean journalists on China's political and economic situation. The meeting was followed by a dinner hosted by Deng Liqun in honor of the delegation. Present on both occasions were Mu Qing, director general of the XINHUA NEWS AGENCY; Deng Gang, adviser to XINHUA; and Chon Myong-su, ambassador of the Democratic People's Republic of Korea to China. The delegation will leave here to travel to Xian and other cities.

WANG CHONGLUN MEETS KOREAN TRADE UNIONISTS

OW182002 Beijing XINHUA in English 1615 GMT 18 May 83

[Text] Beijing, May 18 (XINHUA) -- Wang Chonglun, vice-chairman of the All-China Federation of Trade Unions, today met and feted a Korean delegation of trade unions of industrial workers led by Kim Kuk-sam, vice-chairman of the Central Committee of the General Federation of Trade Unions of Korea. The Korean guests arrived here yesterday.

DPRK FILM DEPICTS ACHIEVEMENTS OF CPV FIGHTER

SK190124 Beijing in Korean to Korea 1100 GMT 17 May 83

[Text] The Korean Foreign Ministry arranged a film session for the Chinese comrades in Korea at Pyongyang's Taetongkang Hall on the afternoon of 16 May. There was a screening of the art film, "The New Legend on the River Piryu," showing the heroic achievements of Luo Shengjiao, a patriotic soldier of the Chinese People's Volunteers. Invited there were Zong Kewen, Chinese ambassador to Korea and all members of the embassy, Chinese technicians, and members of Chinese delegations visiting Korea.

Kim Chae-suk, vice foreign minister of Korea, spoke at the film session. In her speech, she said: The art film, "The New Legend on the River Piryu," reflects the achievements of former CPV warrior Luo Shengjiao, who displayed indomitable fighting spirit, not dimmed with [word indistinct]. She went on to say: Through this film, we more deeply feel that the determined friendship historically forged between the two peoples of Korea and China will be forever and immortal.

PYONGYANG RALLY MARKS KWANGJU UPRISING

SK182338 Beijing in Korean to Korea 1100 GMT 18 May 83

[Text] Personages of all walks of life in Pyongyang held a mass rally at the Pyongyang indoor stadium yesterday afternoon to mark the third anniversary of the Kwangju popular uprising. Comrades Paek Hak-nim, So Yun-sok, and Ho Chong-suk and other leaders of the party and Government of Korea participated in the rally.

Yang Hyong-sop, member of the Presidium [uijangdan] of the Central Committee of the Democratic Front for the Reunification of the Fatherland of Korea, made a report at the rally. In his report, Yang Hyong-sop said: The Kwangju popular uprising 3 years ago dealt a heavy blow at the colonial rule of the U.S. imperialists in South Korea, thus bringing about a new turn in the South Korean people's anti-imperialist struggle for national salvation. He demanded that the South Korean people continue to resolutely fight for freedom, democracy and the country's reunification.

He continued: In accordance with a resolution adopted at the General Assembly of the United Nations, the United States should withdraw all military facilities, including nuclear weapons, and its aggressive troops from South Korea at an early date. He hoped that the proposal, set forth on 18 January by the parties and social organizations of the northern half of the republic, for the convocation of a joint conference of the North-South political parties and social organizations will be realized at an early date. Representatives of the masses of all walks of life addressed the rally. A letter of appeal to the South Korean people was adopted at the rally.

NODONG SINMUN MARKS KWANGJU UPRISING DATE

OW181427 Beijing XINHUA in English 1407 GMT 18 May 83

[Text] Pyongyang, May 18 (XINHUA) -- The Korean paper, NODONG SINMUN, today called the Kwangju uprising, which broke out in South Korea three years ago, an unprecedented popular uprising for democracy and national salvation. The paper said in an editorial, "the South Korean people should hold higher the banner of the anti-U.S. struggle for national salvation to put an end to the U.S. imperialists' occupation of South Korea, liquidate their colonial rule and achieve the reunification of the country and the complete independence and sovereignty of the nation." "The U.S. imperialists' occupation of South Korea and aggressive policy are the root cause of all the misfortunes and hardships of the South Korean people, a basic factor of threat to peace in Korea and the biggest obstacle to the reunification of the country," it said. The editorial stressed that the U.S. troops must withdraw from South Korea at once.

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SINO-JAPANESE FRIENDSHIP GROUP FETED IN JAPAN

OW181243 Beijing in Japanese to Japan 0930 GMT 17 May 83

[Excerpts] On the evening of 16 May, Japan's Forum on China's Politics and Economy, a Japanese friendship organization, held a party in honor of the Sino-Japanese friendship delegation, led by Wang Shoudao, vice chairman of the national committee of the Chinese People's Political Consultative Conference.

Speaking at the party, (Kenjiro Nishioka), president of the forum, said: Despite different social systems, Japan and China have a long history of goodwill exchanges. As two neighboring powers in Asia, Japan and China are under threat from the same direction. Nothing can prevent friendly coexistence between the two countries. The Forum on China's Politics and Economy will continue in our endeavors to develop the friendly relations between Japan and China.

In reply, Wang Shoudao, leader of the Sino-Japanese friendship delegation, said: Both China and Japan occupy certain positions in the present world. Constant efforts by the two countries and their people to strengthen friendly relations and cooperation between the two countries will result in well-being for their people and for future generations. Such efforts will also be favorable to peace in Asia and in the world.

The Forum on China's Politics and Economy is a goodwill organization, composed of former Japanese soliders, and organized with the promotion of Japan-China friendly relations as its main object.

FOREIGN MINISTER RECEIVES JAPAN FRIENDSHIP GROUP

OW181948 Beijing XINHUA in English 1613 GMT 18 May 83

[Text] Beijing, May 18 (XINHUA) -- Chinese Foreign Minister Wu Xueqian met with a Japanese friendship delegation led by Tokumazu Sakamoto and Shizuma Kai here this afternoon. They had a cordial conversation.

The Japanese guests arrived here yesterday at the invitation of the China-Japan Friendship Association.

PRC OFFERS TO RESUME COAL SHIPMENTS TO JAPAN

OW190407 Tokyo KYODO in English 0352 GMT 19 May 83

[Text] Tokyo May 19 KYODO -- China has offered to resume coal shipment to Japanese steelmakers, asking them to dispatch a carrier to take shipment of 180,000 tons of metallurgical coal next month, industry sources said Thursday.

The Chinese remain opposed, however, to a proposed price cut, which is believed to have caused the halt in shipment this month.

In negotiations continuing off-again, on-again since late last February, the Japanese demanded a dollar 12-per-ton price cut matching the average margin of reductions accepted by other suppliers.

In the absence of agreement, provisional prices have been adopted the shipment thus far this year -- the 1982 price of dollar 61.75 for January-February shipment and dollar 14 below that level for March shipment.

The timetable for resumption of pricing negotiations has yet to be decided.

Under a long-term Japan-China agreement, the Japanese are committed to taking shipment of 2 million tons of Chinese coking coal in all of this year.

DENG YINGCHAO MEETS HONG KONG WOMEN'S GROUP

OW190802 Beijing XINHUA in English 0736 GMT 19 May 83

[Text] Beijing, May 19 (XINHUA) -- Deng Yingchao, vice-chairman of the National People's Congress Standing Committee, met here this morning with a group of women from Hong Kong headed by Selina Chow Liang Shuk Yee, chairman of the board of the Brainchild Ltd., Hong Kong.

THAI FOREIGN MINISTER FETES SIHANOUK 18 MAY

OW190752 Beijing XINHUA in English 0721 GMT 19 May 83

[Text] Pattaya City, Thailand, May 18 (XINHUA) -- A grand dinner was given by Thai Foreign Minister Sitthi Sawetsila in honor of Samdech Norodom Sihanouk and his wife here this evening.

President of Democratic Kampuchea Samdech Sihanouk arrived in Thailand today for a visit at the invitation of Sitthi Sawetsila. He is accompanied by ministerial members of the Coalition Government of Democratic Kampuchea -- Prince Norodom Chakrapong and Chak Saroeun.

The presence of ambassadors from sixteen countries at the dinner shows the wide support for Democratic Kampuchea and the high prestige of the samdech.

Exchanging speeches at the dinner, the foreign minister of Thailand and the president of Democratic Kampuchea appreciated the smooth and remarkable development of the relations between the two countries and expressed their conviction in the final victory of the Kampuchean people in fighting against the Vietnamese aggressors under the leadership of the Coalition Government of Democratic Kampuchea.

In his welcoming speech, Sitthi paid high tribute to Samdech Sihanouk who is leading the Coalition Government of Democratic Kampuchea in fighting for freedom and independence of Kampuchea. He said: "Some said that the Coalition Government of Democratic Kampuchea would not last more than six months. As I have said, you have achieved the thing for which those people who made a wrong guess should be crying by now, because you have solidified the unity of the three factions in Democratic Kampuchea." He also paid tribute to the Kampuchean people who are "choosing to die or fight for the country rather to be slaves of foreign domination." The Kampuchean people know what they are fighting for and know their destiny, he added.

Sitthi reassured Sihanouk that Thailand and the other ASEAN countries would stand by the Kampuchean people in the fight for peace, freedom and independence of Kampuchea. "We ASEAN states will try our best to help you in diplomatic, political as well as other ways," he declared.

Sihanouk said in reply, "Kampuchea and Thailand are two brother states and two sister nations. We have the same culture, the same civilization and the same religious belief. As a Kampuchean proverb says, at a time of difficulties and misery, one can see clearly who are our genuine friends and who are not sincere friends. The Thai people are always with us in time of happiness and difficulties."

He went on to say: "We are happy to see that Thailand has become a prosperous country under the wise leadership of his majesty the king. Thailand's prosperity is also due to the dynamic and clever policy of the royal government with Prem Tinsulanon as prime minister and Sitthi Sawetsila as foreign minister." He pointed out: "It is true that our Coalition Government has achieved some successes, but it is still weaker compared with the Vietnamese aggressor troops. But all the three factions are determined to unite neither for six months nor one year but till the day when we can get from Vietnam the agreement to be friends on an equal footing and the Kampuchean people can get independence of one hundred percent. We are determined to go on fighting until the Vietnamese imperialists and colonialists are obliged to implement the U.N. resolutions on the Kampuchean question. We are fighting for peace with dignity and independence."

Expressing profound gratitude to Thailand and all other countries which support Democratic Kampuchea, Sihanouk said: "We have no reason to be pessimistic, because we have courageous people. Such a people will not die. We are optimistic about the future of our homeland, because we enjoy more and more energetic support from Thailand, ASEAN and other countries."

Before the dinner, Sihanouk gave a press conference. When asked about the Coalition Government's plan for the rainy season, Sihanouk said: "The Coalition Government is planning to counterattack the Vietnamese Army in this rainy season. There is possibility to regain the land we have lost in the dry season this year. The Vietnamese Army is in difficulty because the ground in Kampuchea is becoming very boggy. Vietnamese tanks and artillery can not operate with efficiency against us, as they have in fact withdrawn units from some areas. We are determined to go on fighting in order to put more pressure upon the Vietnamese and to force them to accept one day the relevant U.N. resolutions and the ICK (International Conference on Kampuchea) declaration."

CGDK'S SON SANN SPEAKS TO NEW ZEALAND NEWSMEN

BK181257 Beijing in Cambodian to Kampuchea 1030 GMT 18 May 83

[Text] On 16 May, at a press conference in Wellington, Son Sann, prime minister of the Coalition Government of Democratic Kampuchea, who is visiting New Zealand, said Vietnam must implement the UN resolutions which demand that Vietnam withdraw its troops from Kampuchea. He notes that the only effective measure to solve the Kampuchean problem is to create a neutral and sovereign Kampuchea. Son Sann appealed to all countries which are sympathetic to Kampuchea not to provide aid to Vietnam before it implements the UN resolutions.

The New Zealand foreign minister, Cooper, said that the New Zealand Government's policy on the Kampuchean problem has not changed. New Zealand will continue to work for a diplomatic solution to the Kampuchean problem and to get Vietnam to withdraw its troops and let the Kampuchean people choose democracy with justice. Therefore, New Zealand is happy to provide humanitarian aid to Kampuchea.

WANG BINGNAN MEETS BANGLADESH FRIENDSHIP GROUP

OW182020 Beijing XINHUA in English 1616 GMT 18 May 83

[Text] Beijing, May 18 (XINHUA) -- Wang Bingnan, president of the Chinese People's Association for Friendship With Foreign Countries, this evening met and feted Mirza Gholam Hafiz, president of the Bangladesh-China Friendship Association and former speaker of the parliament, and a Bangladesh lawyers' goodwill delegation led by Sheikh Razzaque Ali.

Hosts and guests proposed toasts to the growing friendship between the two peoples.

The guests are visiting China at the invitation of the Chinese People's Association for Friendship With Foreign Countries.

RENMIN RIBAO ON VISIT BY PRC DELEGATION TO INDIA

HK181155 Beijing RENMIN RIBAO in Chinese 18 May 83 p 6

[Article by Chu Tunan: "The Changjiang and Ganges Go Back to Ancient Times"]

[Text] In March, when Beijing was still in early spring, there was already a colorful scene of early summer in Delhi. Then, a delegation of the Chinese People's Association for Friendship With Foreign Countries made a 2-week friendly visit to India at the invitation of the Indian-Sino Society. When we stepped down from the airliner which had landed at Delhi airport, Mr (Panter), chairman of the Indian-Sino Society, and an old friend of the Chinese people, immediately came up to hug us. He personally placed garlands on every member of our delegation. Indian friends from all circles also warmly shook hands with us and presented us with garlands. Thus, we were immersed in an ocean of friendship.

We felt glad that, not long after the delegation arrived in India, Prime Minister Indira Gandhi received us in her office. She particularly pointed out that friendly relations between India and China should be developed, that there is a broad sphere for cooperation between the two nations, and that mutual visits made by friendship delegations of the two nations can promote Sino-Indian friendship. She also said wittily: "You have arrived in Delhi during early summer, and it will become hotter day after day as you visit other cities. But you will discover that the sentiments of friendship shown by the Indian people toward the Chinese people are warmer than the weather."

We visited six cities in India, namely, Delhi, Jaipur, Ahmadabad, Bombay, Madras, and Calcutta. Wherever we went, we were accorded warm receptions and lavish hospitality by local governments and people. In Delhi, we held a friendly discussion with some Indian congressmen and well-known personages at the parliament building, recalling the history of cultural exchanges and friendly intercourse between China and India over the past 2,000 years, and studying the ways to strengthen Sino-Indian friendship in the new era. In other cities, the delegation was received by chief ministers of various state governments, heads of state legislatures, and ministers of state. We met with friends from all walks of life and friends from the Indian-Sino Friendship Society, the Committee for Commemorating Dr Kotnis, and other friendly Indian organizations. We deeply feel that the traditional Sino-Indian friendship is deeply rooted among the Indian people and that to consolidate and develop this friendship is a common desire of both the peoples of China and India.

An unforgettable event occurred when the delegation arrived at a village in a near suburb of Anand City, Gujarat State, and all villagers, men and women, old and young, dressed in their best, greeted us on the two sides of the road at the entrance of the village. They blew trumpets, beat drums and gongs, set off firecrackers and fireworks, and played folk dances, just as they would celebrate a festival. When visiting a textile mill in Maharashtra State, the delegation was also welcomed in the same warm and moving manner. Workers of the mill repeatedly cheered the Indian-Sino friendship and placed garlands on our shoulders.

When visiting various scenic spots and historical sites, we were deeply impressed with India's age-old civilization and cultural tradition. We also viewed with reverence the tomb of the sacred hero Gandhi, leader of the Indian national liberation movement, and the tomb of Nehru, and visited the exhibition of their life stories. This recalled to me a remark by Gandhi: "I am looking forward to genuine friendship between India and China.... friendship of various kinds will bring us true human sentiments of fraternity." Indeed, China and India are not only both countries with an ancient civilization in the East who share traditional friendship between their two peoples, but the peoples of the two countries have supported and sympathized with each other in their common struggles against imperialism and colonialism in modern times. During World War II, Nehru, leader of the Indian people and the Indian National Congress party, gave support to and showed concern for the Chinese people in their struggle against Japanese imperialism. The Indian people also sent a medical team to assist China and to fight side by side with the Chinese people against fascists. Dr Kotnis and Dr Atal, outstanding sons of the Indian people, dedicated their lives to this cause. When making visits in Bombay, the delegation visited with reverence the former home of Dr Kotnis and met with his relatives. On the wall of the house, we saw Chairman Mao Zedong's original handwriting in memory of the death of Dr Kotnis. These Indian doctors will live forever in the minds of the Chinese people.

China and India have similar experiences in their modern histories. At present, both nations are also facing the same task of building and developing their own countries. I am glad to see that, compared with the situation in the 1950's when I visited India, great changes have occurred there and many new achievements have been scored in the fields of economic construction and science and technology. For example, I am deeply impressed with the development of India's milk production, especially the achievements and experience of the Anand Dairy Company. As we have discussed with Indian friends, China and India are both developing nations with agricultural populations accounting for 70-80 percent of the total population, so there must be many things that we can learn from each other in the field of economic construction.

Though our visit to India only lasted for a short time, it was still very fruitful and it made many nice impressions on us. Before we left Calcutta and returned home, I told Indian friends: Our visit is to seek friendship and knowledge. We thank the Indian Government and friends from all fields for their warm support and help, which have allowed us to fulfill this friendship mission.

I deeply feel that the friendship between the peoples of China and India, like the mighty Changjiang River and the Ganges which have distant sources and long streams, can be traced back to ancient times. We must continue to develop this friendship so that we may not have a guilty conscience toward our ancestors and will benefit future generations. This friendship not only is in the fundamental interests of both peoples, but also plays a great role in safeguarding Asian and world peace and promoting the cause of human progress.

NEW AMBASSADOR TO UK PRESENTS CREDENTIALS

OW182126 Beijing XINHUA in English 1642 GMT 18 May 83

[Text] London, May 18 (XINHUA) -- China's new Ambassador to Britain Chen Zhaoyuan presented his credentials to British Queen Elizabeth II at the Buckingham Palace here today.

After the presentation, the British queen and the Chinese ambassador had a cordial and friendly conversation.

Chen Zhaoyuan arrived here on April 22 to take up the ambassadorship.

NATO EXPERTS URGE STRONG CONVENTIONAL FORCES

OW171157 Beijing XINHUA in English 1114 GMT 17 May 83

[Text] Bonn, May 16 (XINHUA) -- U.S. and West European defense experts said the North Atlantic Treaty Organization must strengthen its defense capabilities by making use of conventional military technology to make Europe's deterrent credible.

In a report on the study of security in Europe released today, the experts said the defense expenditures in the budgets of the NATO member states should be increased in real terms by four percent annually (instead of the present three percent) so as to increase spending for the production of conventional arms and the study of new technologies.

Franz-Joseph Schulze, former commander-in-chief of NATO's Central Europe Command, who is one of the authors of the expert report, said that "the West must avoid the emergence of a situation in which nuclear weapons will have to be used within a few days after being attacked for want of adequate defense capabilities."

It is highly possible to prevent the Warsaw Pact from achieving a speedy victory by increasing defense spending and realigning priorities which above all should include the regaining of superiority in technology, he added.

The experts said there is nothing like "a cheap solution." But, in view of the financial difficulties of the NATO countries, the limited amount of money available should be spent most appropriately, they noted.

USSR, ITALY SIGN ECONOMIC COOPERATION AGREEMENT

OW180740 Beijing XINHUA in English 0700 GMT 18 May 83

[Text] Rome, May 17 (XINHUA) -- Soviet Vice-Minister of Foreign Trade Nikolay Komarov ended a five-day visit to Italy today, after signing an agreement for long-term economic cooperation with Italy which will remain valid till 1990.

The program is to be approved by both governments before being implemented.

The Soviet vice minister had meetings with Italian Foreign Minister Emilio Colombo, Foreign Trade Minister Nicola Capria and State Investment Minister Gianni de Michelis.

Italian Vice Minister of Foreign Trade Bruno Corti indicated that last year, Italy suffered a 2.5 billion U.S. dollars deficit in its trade with the Soviet Union, and the figure would increase by another one billion dollars if imports of natural gas from the Soviet Union continue.

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He said that the imported natural gas, oil and timber from the Soviet Union were paid in cash, while the industrial equipment Italy exported to the Soviet Union took the form of a mid-term loan.

Italy can no longer tolerate this trade imbalance unless the Soviet Union imports more from Italy or cuts back its exports of raw materials to Italy, Corti noted.

According to the local press reports, Italy's imbalance with the Soviet Union in the past three or four years is 7,000 to 8,000 billion liras (over five billion U.S. dollars).

FRG SUPPORTS U.S. IN EUROPEAN MISSILE TALKS

OW181355 Beijing XINHUA in English 1251 GMT 18 May 83

[Text] Bonn, May 17 (XINHUA) -- The Federal Republic of Germany supports the United States in adopting a flexible attitude at the new round of U.S.-Soviet European missile talks, said Foreign Minister Hans-Dietrich Genscher today.

He added that "the Federal Government supports the United States Government in showing flexibility in its new proposal at the new round of talks and doing everything possible to bring about progress."

The foreign minister appealed to the Soviet Union to take part in the talks "in a constructive spirit." He said the West proposes that the United States and the Soviet Union reach agreement on the reduction to the lowest level possible of the number of warheads of their ground-based intermediate-range missiles. This will lessen Moscow's menace to central Europe and the number of U.S. new-type intermediate-range missiles scheduled to be deployed in Western Europe, he added.

The U.S.-Soviet Geneva talks on the reduction of missiles in Europe resumed today after a seven-week adjournment.

HUNGARY'S PUJA MEETS QIAN QICHEN 18 MAY

OW190200 Beijing XINHUA in English 0140 GMT 19 May 83

[Text] Budapest, May 18 (XINHUA) -- Hungarian Foreign Minister Frigyes Puja met Chinese Deputy Foreign Minister Qian Qichen here this afternoon. They had a cordial and friendly conversation. Chinese Ambassador to Hungary Ma Lie was present on the occasion.

Qian Qichen arrived here on May 16. In the past two days he and Hungarian Deputy Foreign Minister Vencel Hazi exchanged views on further development of relations between China and Hungary and on world developments of mutual concern. Qian Qichen left here for Warsaw this evening to continue his East European tour.

XINHUA PHOTOGRAPHER DIES IN ROMANIAN ACCIDENT

OW181411 Beijing XINHUA in English 1247 GMT 18 May 83

[Text] Bucharest, May 17 (XINHUA) -- Photographer of the XINHUA Bucharest office Cao Yuquan, 44, died here on May 7 in a car accident. A casket with his ashes was sent back to China on May 15.

His car accident took place on May 3 when Cao Yuquan and two other XINHUA correspondents Zheng Jiyuan and Zhang Hanwen were driving back to Bucharest from an assignment in Brasov north of the Romanian capital. They were seriously injured in the accident. Officials of the Romanian Foreign Ministry, on behalf of the foreign minister, visited the injured at the hospital. Romanian Minister of Health Eugen Proca also visited the injured at the hospital shortly after he returned home from abroad. Members of Hu Yaobang's party then on a five-day visit to Romania -- Qin Jiwei, Qiao Shi, Yang Dezhong, Li Shuzheng and Qian Qichen -- also visited the injured at the hospital.

Memorial meetings were held in the Chinese Embassy and the XINHUA office here on May 14. Senior officials of the Romanian Foreign Ministry and the Romanian news agency also attended the meetings and presented wreaths. Senior officials of the Chinese Embassy here and the XINHUA head office expressed thanks to Romania for the attentive medical treatment it had given to the injured Chinese correspondents.

HU'S EAST EUROPE TRIP TO IMPROVE RELATIONS

HK190138 Beijing CHINA DAILY in English 19 May 83 p 4

[By CHINA DAILY commentator: "Strengthened Ties"]

[Text] General Secretary Hu Yaobang of the Chinese Communist Party, returns to Beijing after talks with Romanian and Yugoslav party leaders that he has described as "very cordial, sincere and fruitful."

He visited the two socialist countries in East Europe for five days each and concluded that the "militant friendship" between China and both nations, "having weathered storms, has become more consolidated, stronger and more vigorous than ever before."

He praised the Romanian Communist Party as one that "resolutely safeguards the correct norms governing relations between all parties."

"The Chinese Communist Party will never forget," he stated, "that Comrade Ceausescu and the Romanian Communist Party have more than once come out boldly at critical moments to give us the most precious trust and support" in the common struggle in defence of the correct principles guiding international relations and relations among communist parties of various countries.

Principles

Hu Yaobang said that in the complicated post-war international situation, Yugoslavia withstood tremendous pressure from outside, overcame all kinds of difficulties and firmly marched along the road to socialism. He praised Yugoslav Communists as pioneers in the creation of a new relationship among communist parties under contemporary historical conditions. In the international communist movement, they "have always upheld the principle that the communist party of every country has the right to determine independently its own line and policy," he said.

The new type of party-to-party relations, as General Secretary Hu Yaobang has defined it, includes four principles -- namely, independence, complete equality, mutual respect, and non-interference in each other's internal affairs.

He has expressed the desire of the People's Republic of China and the Chinese Communist Party to develop relations with all countries, big and small, under the principle of peaceful coexistence.

Vice-Minister of Foreign Affairs Qian Qishen, who accompanied General Secretary Hu on the visits, is going on an inspection tour of Chinese Embassies in Hungary, Poland, and the Democratic Republic of Germany, where he will meet with his counterparts in the respective foreign ministries.

Desire

Hu Yaobang has reaffirmed China's desire to normalize its relations with the Soviet Union because this is in keeping with the fundamental interests of the peoples of the two countries and conducive to consolidation and stability of world peace. He emphasized, however, that such normalization must be "genuine and not sham, not designed to confuse world public opinion." This calls for the removal of obstacles threatening China's sovereignty, which he said are "not many in number but serious in nature."

There is no political exchange yet between China and Albania although the two countries have resumed some economic exchanges. General Secretary Hu Yaobang expressed regret over the present state of relations between the two countries and parties which is unfortunate but not of China's choosing.

We congratulate General Secretary Hu Yaobang on his return from his successful trip to East Europe, and believe that he has paved the way for improved relations with more countries and parties.

YAO YILIN MEETS CHIEF EDITOR OF EGYPTIAN WEEKLY

OW181423 Beijing XINHUA in English 1413 GMT 18 May 83

[Text] Beijing, May 18 (XINHUA) -- Chinese Vice-Premier Yao Yilin this evening met with Lufi 'Abd al-Azem, chief editor of the economic weekly AL-AHRAM IKTISADI of Egypt, and Mrs Azem. Mr Azem, also a noted Egyptian economist, visited China in 1978. During the meeting, Yao Yilin answered Azem's questions about China's policy of opening to the outside world and utilization of foreign funds. Mr Azem told Yao Yilin that he had seen great changes taken place in China. He said that China's present policy is correct. The couple arrived in Beijing May 14 on a visit at the invitation of the All-China Journalists Association.

JORDANIAN PRIME MINISTER RECEIVES CPPCC GROUP

OW181454 Beijing XINHUA in English 1400 GMT 18 May 83

[Text] Amman, May 18 (XINHUA) -- Prime Minister Mudar Badran of Jordan Tuesday praised China for its constant support for the Arab cause, especially the right of the Palestinian people to return to their legitimate homeland.

The prime minister said this when he received a 7 member delegation of the Chinese People's Political Consultative Conference headed by Vice Chairman Cheng Zihua. The delegation left here for home today after its 5-day friendly visit.

During the visit, the delegation also met with Chairman of Jordan National Consultative Council Soleunan Arar and Senate Speaker Ahmad Tarawneh. In the meetings, the hosts briefed the Chinese delegation on the Mideast situation. The Chinese delegation reaffirmed China's total support for objectives of the Palestinian people. It said that "the Chinese people are aware of the extent of the Jordanian people's sufferings in its confrontation with Israel, which continues to threaten Jordan's stability and security."

The Chinese delegation also visited the Husayn Health Center and the Jordan University in Amman and toured the Dead Sea.

CPC DELEGATION ENDS VISIT TO BOTSWANA

OW181629 Beijing XINHUA in English 1352 GMT 18 May 83

[Text] Gaborone, May 18 (XINHUA) -- The visit by the Chinese Communist Party delegation has cemented the friendly relations between the Botswana Democratic Party (BDP) and the CCP, the two governments and the two peoples.

This was said by Botswana Vice President and National Chairman of the BDP Peter Mmusi at a reception given by him yesterday evening honour of the CCP good-will delegation led by Jiang Guanghua, deputy head of the Liaison Department of the CCP Central Committee.

Jiang Guanghua in his speech expressed sincere thanks to the BDP, the Botswana president for their friendship and warm hospitality. He said the delegation was deeply impressed by the progress made in Botswana and greatly satisfied with the outcome of the visit during which they toured various places, exchanged views with the Botswana counterpart.

During their week-long stay in Botswana, the delegation visited the Botswana National Assembly, the Botswana Meat Commission, the diamond town of Jwaneng and the headquarters of Botswana Diamond Valuing Company Opera House.

The delegation left here for home this evening.

NIGER PREMIER MEETS PRC CULTURAL DELEGATION

OW181421 Beijing XINHUA in English 1303 GMT 18 May 83

[Text] Beijing, May 18 (XINHUA) -- Prime Minister [as received] Oumarou Mamane of Niger met the visiting Chinese cultural delegation in Niamey, capital of the country, yesterday morning. During the meeting, the prime minister praised the achievements made in economic and cultural cooperation between Niger and China. The two sides expressed their hopes for further strengthening and developing the friendly relations of cooperation between the two countries. The Chinese cultural delegation, led by adviser to the Culture Ministry Chen Xinren, arrived in Niger on May 11. The two sides have signed a cultural agreement and a plan for executing the agreement in 1983 and 1984.

XINHUA ON LEBANON-ISRAEL PACT, U.S.-USSR CONTEST

OW182216 Beijing XINHUA in English 1835 GMT 18 May 83

[Text] Beirut, May 17 (XINHUA correspondent Yu Kaiyuan) -- Lebanon and Israel after four and a half months of arduous negotiations have reached an agreement on terminating the state of war between them, and withdrawing Israeli troops from Lebanon. The four copies of the agreement were signed today in the Lebanese town of Khaldah and Israeli town of Qiryat Shmona.

During the negotiations, Lebanon made unremitting efforts to defend its national sovereignty, independence and territorial integrity. Israel, an aggressor which occupied one third of Lebanese territory, should have long ago withdrawn from Lebanon without preconditions. But backed by the United States, the Israeli authorities proposed a series of harsh terms in the negotiations in an attempt to turn Lebanon into its covert colony, to separate Lebanon from the Arab world, so as to further strike at the Arab and Palestinian revolutionary forces.

From the outset of the negotiations, the Lebanese Government insisted on two fundamental principles: no harm to Lebanese sovereignty and no damage to the relations between Lebanon and other Arab countries. The agreement now concluded on the one hand reflected the Lebanese Government's efforts to attain these objectives; but on the other hand, it was also a sort of compromise made by a weak and small country with part of its territory being occupied by a militarily strong aggressor. There were still vestiges of aggression and foreign occupation in the agreement. This is by any means a violation of Lebanese sovereignty. In his report to the parliament, Lebanese Foreign Minister Elie Salim said Lebanon had to pay the price for the liberation of its territory. He pointed out that the agreement did not mean the end of calamity, but the start of Lebanese recovery of its sovereignty and territorial integrity.

The agreement also shows a new trial of strength between Washington and Moscow in the Middle East. It marks a major step taken by the United States to curtail the Soviet expansion in the area as President Reagan's proposal put forward last September ignored the Palestinian people's legitimate rights and shielded Israel's interests, leading to the suspension of Jordan-Palestine dialogue, the Soviet Union seized the chance to return to the Middle East. For the purpose of holding back the Soviet drive, Reagan in late April sent out his Secretary of State Goerge Shultz for a mission of shuttling in the Middle East to help bring about an agreement between Lebanon and Israel in the hope of reviving his Mideast proposal and pushing ahead for a settlement in the framework of the Camp David accord.

Therefore, the Lebanon-Israel agreement is regarded as a gain by the United States over the Soviet Union, and Moscow naturally disliked it. The Soviet news agency TASS accused the U.S. Government of trying to subjugate the Arab countries one by one through single-handed deals and agreements.

Under this agreement, Israel made the simultaneous withdrawal of Syrian and Palestinian Armed Forces from Lebanon a precondition for its own pullout, but both Syria and the PLO have stated that they firmly reject the agreement, saying it is harmful to Lebanon's sovereignty and dangerous to the security of Syria and other Arab nations.

As Lebanon has experienced great turmoils and bloodsheds for the past eight years and suffered great sacrifice during Israeli invasion last year, most of the Arab governments have expressed their understanding and support of varying degrees for the troop withdrawal agreement. On May 16, Moroccan King Hassan II said that he fully understood and supported any action taken by Lebanon to safeguard its sovereignty. The following day, Saudi Arabian Information Minister Ali Hasan al-Sha'ir said that his country respects the will of the Lebanese people for reaching this agreement, and appeals to the Arab world to strengthen their unity and set aside disputes. The supporters also include Egypt and Jordan, and some Arab governments are trying to mediate between Lebanon and Syria.

In Lebanon, certain political forces have expressed objection to the agreement over Israel's imposition of conditions on the accord. Therefore, the Lebanese Government still faces the arduous task of uniting all the political forces in the country.

The uncertainty in the situation in Lebanon raises many questions to be answered only in the future, such as whether Lebanon and Syria could coordinate their stands, whether the agreement will be honoured, whether Israel and Syria will go into fresh clashes in Lebanon's al-Biqa' valley, and what will be the next steps by the United States and the Soviet Union over the Lebanese issue.

U.S., USSR COMMENT ON LEBANESE-ISRAELI ACCORD

OW181354 Beijing XINHUA in English 1258 GMT 18 May 83

[Text] Beijing, May 18 (XINHUA) -- While the United States hailed the Lebanon-Israel troop withdrawal accord as a "positive step" towards peace in the Middle East the Soviet Union denounced it an "illusion" of a peace.

Speaking to congressional leaders at a meeting on the U.S. Government budget, President Ronald Reagan said yesterday the accord "will initiate a process which will culminate in the withdrawal of all external forces from Lebanon and in restoring Lebanese sovereignty, independence and control over its territory."

Reagan made his comments just hours after Lebanon and Israel signed the accord mediated by U.S. Secretary of State George Shultz. The United States also signed it as a "witness".

Under the agreement, which was rejected by Syria and the Palestine Liberation Organization, Israeli troop withdrawal is predicated on PLO and Syrian troops withdrawals and a "security zone" is to be created in southern Lebanon in which Lebanese military operations are restricted.

At a press conference held later in the White House, Reagan called on Syria to leave Lebanon as well.

"They were invited by Lebanon to come in" and now "Lebanon has said they're no longer needed and has invited them out," he said. He added that there was no reason for the Soviets to be offered a negotiating role in the Middle East. "Possibly there is pressure on the Syrians coming from the Soviets who now have several thousand of their military forces in there in addition to the missiles," Reagan said.

The official Soviet news agency TASS said yesterday the Lebanon-Israeli agreement created an illusion that did not solve any problems in Lebanon or in the Middle East, including the question of Palestine, but enabled Israel "to consolidate its hold on the territory of that country still more and to trample the rights of the Lebanese people."

The TASS dispatch said the agreement carried a real risk of extending "American-Israeli aggression" in the Middle East, particularly against Lebanon's neighbor states.

PRC ENVOY ADDRESSES UN ON CENTRAL AMERICA

OW190306 Beijing XINHUA in English 0245 GMT 19 May 83

[Text] United Nations, May 18 (XINHUA) -- China declared today that it opposes any outside interference from whatever quarters, under any pretext or in any form in the affairs of Central American states. Chinese deputy permanent representative Yufan made the statement at the U.N. Security Council which resumed today its consideration of Nicaragua's complaint against the United States. He said that "it is imperative to stop all outside intervention, especially superpower intervention or intimidation" in Central America and let the peoples of the region settle their own affairs.

He expressed the hope for a peaceful settlement of the disputes among various Central American states through negotiations without outside intervention. He said, "Meddling by outside forces and, especially, the attempts of the superpowers to extend their rivalry to Central America have multiplied the complexity of the issue and constituted an underlying cause of the present tension in the region." He accused a superpower of stepping up military assistance programmes in the region on the plea of stemming outside intervention. He said, "One superpower has felt free to intervene on the pretext that the struggles of the people of the region for political rights and social reforms are allegedly a 'threat' to its own 'security and prosperity'." "Such a policy can only inflame the contradictions in Central America and aggravate tension there," he added.

Liang said China hopes Latin American countries, especially those of the Contadora Group, will achieve positive results in their efforts to ease the tension in Central America by bringing the parties to a conference table with a view to reaching a peaceful solution there. He also expressed support for some countries' request that the United Nations play its role in helping to bring about a solution in Central America.

FANG YI MEETS BRAZILIAN SCIENCE DELEGATION

OW190758 Beijing XINHUA in English 0734 GMT 19 May 83

[Text] Beijing, May 19 (XINHUA) -- Fang Yi, state councillor and minister in charge of the State Scientific and Technological Commission, today met with the scientific and technical delegation from Brazil led by Dr Dourimar Nunes, international cooperation advisor to the president of the National Council for the Development of Science and Technology.

Fang Yi had talks with the Brazilian guests on the scientific and technical exchanges between the two countries. The Brazilian delegation arrived here May 14 at the invitation of the Chinese Academy of Sciences.

HU YAOBANG VISITS XINJIANG EN ROUTE FROM SFRY

HK181540 Urumqi Xinjiang Regional Service in Mandarin 1300 GMT 18 May 83

[Text] Hu Yaobang, general secretary of the CPC Central Committee, yesterday morning went to the No 6 Division of the Xinjiang Production and Construction Corps to call on cadres and land reclamation fighters of various nationalities, encouraging them to strengthen the unity of nationalities, the unity of cadres and masses, to develop production, and to improve the livelihood of the people on the basis of developing production. Comrade Yu Yaobang was delighted in the great achievements made by production and construction corps in defending and building Xinjiang. On behalf of the CPC Central Committee he paid tribute and regards to all cadres and soldiers of the Xinjiang Production and Construction Corps who have made great contributions to defending and building Xinjiang. He hoped that all cadres and soldiers of the No 6 Division of the Xinjiang Production and Construction Corps would carry forward the old revolutionary tradition, carry out all work better, have the courage to compete with other divisions, and be vanguards of the Production and Construction Corps.

On learning of Comrade Hu Yaobang's arrival in (Wujiaqi), cadres and soldiers of the No 6 Division went to the street one after another to warmly welcome him, and to express their gratitude to the CPC Central Committee for showing concern to Xinjiang's reclamation cause and to cadres and soldiers. Comrade Hu Yaobang approached them and waved greetings to the masses. Qing Jiwei, Qiao Shi and Yang Dezhong accompanied Comrade Hu Yaobang to call on cadres and soldiers of various nationalities of the No 6 Division of the Xinjiang Production and Construction Corps. Accompanied by Wang Enmao, Ismail Amat, leading comrades of the provincial CPC Committee and government, and leading comrades of the Production and Construction Corps, Comrade Hu Yaobang drove to visit the construction of [words indistinct] and a leather factory and an exhibition hall of the No 6 Division. In the exhibition hall, Comrade Hu Yaobang looked at pictures and materials with great interest, and wrote the inscription: Salute To All Cadres and Soldiers of Production and Construction Corps Who Have Made Great Contributions To Defending and Building Xinjiang.

RENMIN RIBAO EDITORIAL ON URBAN, RURAL REFORMS

HK190717 Beijing RENMIN RIBAO in Chinese 16 May 83 pp 1, 2

[Editorial: "Persevere in Reform Under Leadership and Step by Step"]

[Text] Guided by the correct policies of the CPC Central Committee, reforms are being further unfolded in the economic and other spheres in our country. As far as administrative restructuring is concerned, the leading groups of many provinces and cities have been reorganized, and the administration of counties by cities and other administrative reforms have been effected in some provinces. In cities, the industrial and commercial reforms have been carried out on a still wider scale. Comprehensive reforms are being carried out in other experimental spots. Reforms have also been gradually started in the spheres of labor, personnel, education, science, technology, culture, public health, political science, and law. In all trades and on all fronts in our country there has already emerged a new situation in which reforms have been brewing, have been started, or have been carried out for some time.

Though the reforms in many fields at present are at an initial stage, good results have been achieved and useful experiences accumulated. Take the urban industry and commerce for example.

With correct reforms carried out under good leadership and step by step, it has been possible to overcome egalitarianism, inject life into the enterprises, further arouse the enthusiasm of the staff and workers, improve operation and management and attain better economic results. As some staff members and workers said, the reforms have "changed the practice of 'eating from the same big pot,' evoked the enthusiasm of the diligent and aroused the lazybones to action." A similar situation exists in various other fields. Wherever the CPC Central Committee's principles and policies have been followed, enthusiasm has been aroused, efficiency has been raised and productive forces have been developed. In practice, the cadres understand the reforms more clearly, eagerly demand reforms and vigorously carry out reforms. At the same time, through these reforms, they have further broadened their scope of vision, emancipated their minds and increased their confidence.

After a period of experiment and summing-up, the urban reforms in the economic and other fields are now progressing under good leadership and step by step. Reform takes a long time. It should not be hastily put into effect without making preparations beforehand, nor should it be carried out perfunctorily. It is imperative to persevere in reform under a good leadership and step by step. That is to say, it is imperative to persevere in reform in the light of the needs for further developing the socialist economy and the socialist cause in other fields, and this reform must be carried out under good leadership and step by step. It is imperative to continuously sum up experiences. In no way should reforms be allowed to drift and deviate from the basic principles of socialism.

Cities are different from rural areas. Industry and commerce are different from agriculture. Culture, education, political science, and law are different from agriculture and from industry and commerce as well. Different sectors are different in nature, so that they need greatly different reforms. Therefore, the methods of rushing headlong into mass action and demanding uniformity are impermissible. The leading departments on different fronts must first of all understand the conditions clearly and know very well the specific contents of the reforms and the correct policies on reforms. In no way should they, on the pretext of breaking with stereotypes, allow the masses to do whatever they like and to act in defiance of organization. This is not the correct way to lead the reforms. It will lead the reforms astray, inflict losses on the state, the people and the staff and workers of various units, and hinder the genuine socialist reforms. We should not only see the importance and urgency of the reforms but also see that the urban reforms in many fields are much more complicated than the rural reforms. Since the reforms are complicated, we should do our work more realistically and more carefully and proceed from reality, and in no way should we indiscriminately copy the experience of rural reforms. The leaders should go deep into the first line to make investigations, conduct experiments and find out the laws. This is a positive attitude. It is incorrect to hesitate and stand still in the face of the complicated reforms. It is also incorrect to carry out reforms by just issuing general calls without grasping typical cases and making plans. It is incorrect of the leaders to pay no attention to carefully guiding the experiments and even neglect the problems and make no efforts to solve them.

This year, it is necessary to continue to carry out the policy of readjusting, restructuring, reorganization and upgrading. However, the reforms should be appropriately quickened by taking the actual conditions, needs and possibilities of various departments into consideration. We must understand this point very clearly. Following the adoption of the policy of readjustments, the major proportions of the national economy are being harmonized, thus creating favorable conditions for reforming the economic system in a planned way and step by step. Readjusting, reorganization and restructuring condition and promote each other, and none of them should be neglected.

Experiments should be carried out to accumulate experience in some aspects of the reform in the economic system. The experience which has been ascertained should be actively put into effect. For example, the experience in substituting payment of taxes for delivery of profits has matured and should be boldly put into effect. The CPC Central Committee and the State Council have made a unified decision on this point. All localities, departments and enterprises must unswervingly execute this decision.

In determining whether a plan, method or measure of reform is appropriate and workable, we must stand on a high plane and look far ahead. Standing on a high plane means that we should not just look at a problem partially but must adopt an overall point of view. Take the reform of the economic system for example. The reform of an enterprise can really attain its goal only when the reform is compatible with the interests of the enterprise and its staff and workers and, above all, meets with requirement of the socialist economy as a whole, is advantageous to the proportionate development of the national economy and the attainment of better economic results in the whole society, and benefits the country and the people. If the interests realized by the partial reform are harmful to the overall interests, then the purpose, principle and demand of the reform will be violated. If the part is "alive" and the whole is not, this "life" is not real and cannot last long. Looking far ahead means looking not only at the present but also at the future. For example, it is necessary for an enterprise to look ahead in handling the problem of internal distribution. Not only the current year, but the next year and the year after must be taken into consideration. When policies and methods are reasonable, man's enthusiasm will last a long time. If they are unreasonable, man's enthusiasm cannot be consolidated.

In carrying out reforms, all organs ranging from the top to the basic levels must put ideological and political work in an important position. More and more of the cadres and the masses have now come to understand the reforms, support them and take an active part in them. However, being influenced by the "leftist" ideas, they cannot break with the stereotypes or, out of fear of losing their personal profits, doubt and resist the reforms. At the same time, it should be admitted that some of the staff and workers only consider their immediate interests and neglect the interests of the state and the people, and the reforms may subsequently be led astray. Therefore, it is necessary to strengthen ideological education to help the staff and workers understand more clearly the meaning, purpose and method of the reforms as well as the party's principles and policies regarding the reforms. The reforms will effect the relations of interests of the state, the people, and all departments, localities, units and individuals. To correctly handle these relations, it is necessary to further strengthen ideological and political work. The four principles, the four guarantees, and in particular, the development of spiritual civilization based on communist thinking, should not be slackened at any moment. Implementation of the socialist principle of "to each according to work" has nothing in common with the bourgeois and departmentalistic thinking of benefiting oneself at the expense of the interests of the state and other people and "putting money first in everything." For example, in signing business contracts, it is necessary to teach the staff and workers to pay simultaneous attention to the interests of the state, the collective, the individuals and the consumers and to observe business ethics and abide by the regulations and the law and it is also necessary to criticize and stop the wrong ideas and actions of harming the interests of the state and shifting the burden to the consumers. The fundamental purpose of the reforms is to build the Chinese-type socialism. Therefore, the reforms must aim at scoring material results and building the spiritual civilization. The education in serving the people and summing responsibility to the people, the patriotic education, and the communist education must be closely linked with the reforms.

Reform means getting rid of the old and establishing the new. It is also a kind of experiment. The emergence of the new things cannot be all plain sailing, and the new things cannot be entirely perfect. In carrying out reform we should be sober and advance steadily, so as to avoid confusion and taking a tortuous path. It is very difficult for a reform to be flawless and free from problems. We can carry out a reform with ever better results provided we promptly and seriously sum up experiences. The reform in agriculture has been successful and achieved enormous results. However, some defects, such as the contract responsibility system being regarded as sharing out the land and practicing individual farming, were seen in some localities. However, these defects were rectified because the leaders were sober. There may be some other defects or problems. They can be solved if we handle them seriously. Reforms in cities are much more complicated. Yet, they can gradually achieve results if we seriously make investigations and experiments beforehand, promptly and objectively sum up experience and seriously solve the problems.

In short, in carrying out reforms, we must have a great determination, adopt a positive attitude, be sober and work meticulously. In this way, our overall reform, which is of great significance, will develop systematically in the socialist direction.

LOCAL GOVERNMENTS URGED TO BACK KEY CONSTRUCTION

OW182116 Beijing XINHUA in English 1631 GMT 18 May 83

[Text] Beijing, May 18 (XINHUA) -- A spokesman for the State Planning Commission today urged local governments and individuals to do whatever they can to help complete the 70 top-priority construction projects. These projects were designated last month by the State Council -- from among 600 projects planned for China's Sixth Five-Year plan period -- to receive top priority in the allocation of funds, materials and labor. These projects will go hand in hand with preparation for 279 other projects.

The Chinese Communist Party Committee and the State Council called for national coordination earlier this month to accelerate building of such critical projects, according to the spokesman. They are expected to play a vital role in China's projected economic upsurge in the next decade, he said.

Wherever such projects are built, governments should take the national interest into account, mobilize their people and resources to assist in the work, the spokesman said.

Local governments should see to it that enough construction space is provided for key projects, the spokesman said. They must also make proper arrangements for the supply of food and accommodation for construction workers from other parts of China.

Anyone who deliberately causes delay of key projects will be held responsible for the consequences, the spokesman warned. Those who have caused damages will be punished according to the law.

The official again called attention to the importance to China of concentrating its limited resources on key construction projects, which are in energy, communications, building materials and textiles and light industries.

"We must first of all try our best to complete the building of critical coal and electric power projects and the servicing of railways and other communications facilities," he said.

Energy and communications are the bottleneck in China's economic construction, he said.

The country's entire economic growth will be adversely affected if construction of the badly needed energy and communications projects are delayed, he added.

70 LARGE-, MEDIUM-SIZED PROJECTS BEING BUILT

OW190221 Beijing XINHUA Domestic Service in Chinese 1301 GMT 18 May 83

[Text] Beijing, 18 (XINHUA) -- Reference material: The 70 large and medium-sized projects are under construction in China with proper construction time limits set by the state.

The Fifth Session of the Fifth NPC has decided that 890 large and medium-sized projects, which are of great significance to economic development, will be undertaken in China during the Sixth 5-Year Plan period, with energy and transport projects having priority. Four hundred large and medium-sized projects are to be completed before the end of 1983, and the rest will be carried over for continued construction during the Seventh 5-Year Plan period. Most of the projects are already under construction while a small number of them are still in the survey and design stage, as planned. For 70 of the projects under construction, the state has set proper deadlines and supplied complete sets of equipment and materials in order to achieve better economic results. The 70 projects are:

1. Eight coal industry projects: the Gujiao and Datong mining districts in Shanxi, the Huolinhe mining district in Nei Monggol, the Huaibei mining district in Anhui, the Yanzhou mining district in Shandong, the Pingdingshan mining district in Henan, the Tiefa mining district in Liaoning and the Huainan mining district in Anhui;
2. One petroleum project: the 300,000-metric ton ethylene project in Daqing, Heilongjiang;
3. Thirteen electric power projects: the Gezhouba hydroelectric power station in Hubei, the Longyangxia hydroelectric power station in Qinghai, the Baishan hydroelectric power station in Jilin, the Hongshuihe Tianshengqiao hydroelectric power station, the Dongjiang hydroelectric power station in Hunan, the third state construction project of the Douhe power plant in Hebei, the Jhinzhou power plant in Liaoning, the Fulaerji power plant in Heilongjiang, the Taizhou power plant in Zhejiang, the Datong new power plant in Shanxi, the Tongliao power plant in Nei Monggol, the Yuanbaoshan-Jinzhou-Liaoyang-Haicheng 500,000-volt power transmission and transformation project, and the Datong-Beijing 500,000-volt power transmission and transformation project;
4. Nine railroad projects: the Yanzhou-Shijiusuo railway in Shandong, the electrification of the Longhai railway [from Donghai County in Jiangsu to Lanzhou in Gansu via Baoji in Shaanxi], the multiple-tracking and electrification of the Beijing-Qinhuangdao railway, the electrification of the Beijing-Baotou railway, the first-stage multiple-track project of the Jiaozhouwan-Jinan railway in Shandong, the Anhui-Jiangxi railway, the multiple-track project of the Nantongpu railway in Shanxi, the electrification of the Quizhou-Kunming railway, and the multiple-track and electrification of the Taiyuan-Jiaozuo railway;
5. Eight transport projects: the Qinghuangdao harbor in Hebei, the Shanghai harbor, the Shijiusuo harbor in Shandong, the Tianjin harbor, the Zhanjiang harbor in Guangdong, the Huangpu harbor in Guangdong, the Yingkou harbor and the Lianyungang harbor;
6. One iron and steel industry project: the Shanghai Baoshan iron and steel complex and its auxiliary metallurgical projects;

7. Three nonferrous metallurgical industrial projects: the Guizhou aluminum plant, the Yongping copper mine in Qianshan, Jiangxi and the Shanxi aluminum plant;
8. Six building materials projects: the Huaihai cement plant in Xuzhou, Jiangsu; the Jidong cement plant in Fengrun, Hebei; the Yaohua glass plant in Qinhuangdao in Hebei; the Ningguo cement plant in Anhui; the Nanning glass plant in Guangxi and the Luoyang glass plant in Henan;
9. One water conservancy project: the project of diverting water from the southern part of the Luan He;
10. Three postal and telecommunications projects: the Beijing International Telecommunications Bureau, the Beijing-Wuhan-Guangzhou coaxial cable project, and the Dongdan Telephone Bureau in Beijing;
11. Two light industrial projects: the trimeric sodium phosphate plant in Kunming, Yunnan; and the synthetic leather plant in Yantai, Shandong;
12. Three textile industry projects; the first branch of the Yizheng chemical fiber plant, Jiangsu; the second-stage project of the Shanghai petrochemical plant; and the Beijing chemical fiber plant;
13. Five chemical industry projects: the Xinjiang chemical fertilizer plant in Urumqi, the Zhejiang chemical fertilizer plant in Zhenhai, the Dongfang chemical works in Beijing, the Shanxi chemical fertilizer plant in Lucheng, and the Yunfu pyrite mine in Guangdong;
14. One automobile industry project: the Changchun No 1 motor plant;
15. One meteorological project: the weather satellite information receiving and processing system;
16. One cultural project: the Beijing library;
17. One broadcasting project: the Beijing central television station;
18. One public health project: the Sino-Japanese friendship hospital; and
19. Two other projects.

HONGGI STRESSES SUPPORTING KEY PROJECTS

HK110732 Beijing HONGQI in Chinese No 8, 16 Apr 83 pp 16-18

[Article by Jing Ping: "Let Us All Support Major Construction Projects"]

[Text] China's economic situation is growing more and more prosperous. A thriving scene is witnessed everywhere, either in industrial and agricultural production, or in market and foreign trade. With the development of production, the living standard of the people has improved. People all over the country are rejoicing over the situation.

However, under such an excellent situation, we must remain soberminded and properly handle the relationship between local interests and those of the country, and between local interests and those of the country, and between general and major construction projects. We must concentrate the country's financial resources on key projects.

This is vital to the long-term development of the country and the major program of reviving the economy. It is also a fundamental measure to ensure the development of the country's economy along the path of increasingly improving economic results and to maintain the present excellent situation in the economic field.

Last year, investments in fixed assets greatly increased. The problem of overextension of capital construction cropped up again and capital was not used in good coordination between the state and nonstate planned sectors. Investments in fixed assets in 1982 reached 83.1 billion yuan, 13.6 billion yuan more than the state plan and 8-9 billion yuan more than the previous record annual investment in 1980. However, the state plan for key projects was not fulfilled nearly enough because financial resources were used for nonstate planned construction of many small projects sponsored by local governments and enterprises across the country. Only 50 of the 80 large and medium-sized projects in last year's state plan were completed, while local governments and enterprises finished 57 projects. In total amount of investments in fixed assets, the proportion of the state plan dropped to 40.9 percent in 1982, down from 48.5 percent in 1981, while that of nonstate planned construction rose to 49 percent, up from 43.3 percent. Due to the lack of coordination between the state and nonstate planned sectors and an unbridled increase in capital construction, on the one hand, financial resources were used for nonstate planned construction of general projects instead of key projects and duplicate construction of less important projects hampered the progress of urgent major projects, while, on the other hand, such a situation contributed toward a shortage of raw materials and energy and unbalanced development in heavy and light industry. Consequences will be serious if such a situation is not improved promptly.

An important principle of socialist construction is that the state concentrates financial resources on key capital construction. China has firm foundation to start with. Notable changes in the economy have occurred since liberation, but the number of modern major projects vital to the full-scale development of the country's economy is still far too little. The present foundation of our country in economic and technical strength can hardly meet the needs of the four modernizations. We must thoroughly change the backward economic state and build China into a strong socialist country with a high degree of material and spiritual civilization. To attain this goal it is essential to construct a certain number of modern major projects step by step and in a planned way. The First 5-Year Plan was successful because the state concentrated all financial resources on the construction of 156 key projects, laying a solid foundation for future construction. Other key projects were added in the ensuing 5-year plans. While working hard for the four modernizations, concentration of financial resources on major projects is needed as much now as it was in the First 5-Year Plan. This is the need of the present economic construction, and also a basic task which must be carried out to greet a boom in the economy in the 1990's.

The construction of major projects also will help bring better economic results. In the past few years, economic results have increased, but not remarkably. Why? There are two major reasons. First, the imbalance between heavy and light industry has not been completely adjusted and, as a result, some enterprises lack electricity, coal and raw materials and operate under capacity. Secondly, technical expertise is at a low level and equipment has not been renewed for a long time. The party's 12th congress pointed out: "Energy shortage and the strain on transport are major checks on China's economic development at present." It also decided that the strategic task for the next 20 years is to develop agriculture, energy, transportation, science and technology. Only in this way can we ensure a general increase in economic results in all enterprises and keep the development of the national economy balanced.

Otherwise, if investment is diverted into too many general projects, the new factories will probably have insufficient raw materials and orders, or products cannot be shipped out and difficulty will arise in expansion of production. If this is the case, how can we yield a general increase in economic results?

Comrade Deng Xiaoping pointed out last year: "The construction of important projects, no matter how difficult, must be resolutely carried out. If there is a shortage of money and raw materials, we would rather stop the construction of local projects, especially the general processing industry projects. It will not be a great help, even if the number of small projects is doubled." Comrade Deng Xiaoping's opinion is very important, and we must enforce it seriously.

How can we ensure the construction of major state projects? We believe that under the present circumstances, adequate attention must be given to the following problems:

1. The state must have enough funds for the construction of major projects. In the past, decisionmaking was overcentralized. This dampened the enthusiasm of local governments and enterprises which had far too little financial resources for local economic development. This drawback must be overcome in the present reform of the economic system. In raising funds, the state should no longer follow the old road of draining the pond to catch all the fish. However, the reform of the financial system must guarantee the interests of the state, local governments and enterprises. The state should always have the larger share of the profits made by enterprises. This enables the state to have enough money for major projects and arouses the enthusiasm of local governments and enterprises to revive the economy. If we fail to ensure the construction of major projects or keep the national economy balanced, will it be possible for enterprises to obtain sufficient raw materials for reproduction on an extended scale? And will it be possible for enterprises to give full play to their enthusiasm? It must be realized that the state can focus financial resources where they are really needed and on solving problems which are beyond the ability of an enterprise, a city or even a province. This is one of the major advantages of socialism, and a prerequisite for expanded reproduction by local governments and enterprises. Concentrating financial resources on the right channel can be compared with a campaign on a battle front. Only when the chief commander properly takes charge of the whole operation is it possible to win the battle. If the chief commander makes a mistake in command, the victory of a company or a platoon can hardly reverse the whole trend.

It must be noted that at present, some local governments and enterprises retain a larger part of their profits than they should by cutting down the share to the state. Some enterprises keep a larger part of their profits through illegal activities, and not by means of cutting down expenditures and increasing income. This is absolutely harmful to the development of the entire economic construction. In the current economic reform, we must develop a rational formula for taxation in order to leave a reasonable amount of profit to the enterprises while giving them more decisionmaking powers to stimulate their enthusiasm. Enterprises with poor management should be made to pay more taxes as punishment or even be closed down. High demands must be set on enterprises to make them work under high pressure. Only by doing so will the enthusiasm of enterprises be given full play and production put into full swing.

2. We should strive to spend the funds collected by local governments and enterprises in accordance with the state plan, but part of the funds can be flexibly used by them. However, large investments, whatever sources they may come from, will certainly influence the national economy as a whole.

An investment in an enterprise or a province may appear small, but all the small investments around the country will amount to a huge sum. If such a huge sum of investments is not used in accordance with the state plan, but instead is used in a blind way, allowing each to its own pace, it will surely affect the construction of key projects and hinder the national economy from developing in a planned way and in perfect proportion.

Some comrades say: "The state has its major projects and I have mine. I collect the funds; this is nothing to do with you." It is true that local governments and enterprises should have their own key projects. However, when local interests conflicts with those of the state, should we subordinate local interests to those of the country and take due consideration of the national interest, or should we think of only local interests and take no account of the whole interest? The answer is to resolutely support the former and oppose the latter. Sometimes, some construction projects might be very important to local interests, but they are not essential to the country or even affect the situation as a whole. Enthusiasm shown only for local interests but not for those of the country often becomes a destructive force to the overall situation. All personnel of economic affairs, therefore, should always bear in mind the idea of taking the whole country into account and taking the long-term interests of the country into consideration and think of the overall situation before handling any problems concerning local interests. At the same time, in drawing up plans for any construction project, they must remember that too much emphasis on partial or local interests is sometimes harmful to the development of the economy. Capital construction should be kept to a degree the national economy can afford. In order to guide and control the use of the funds collected by local governments and enterprises, leading departments must adopt concrete measures and make proper policies accordingly.

3. It is necessary to properly control investment in nonproductive projects and skillfully handle the relationship between productive and nonproductive projects. In the past, construction of nonproductive projects was ignored due to leftist influence, greatly inconveniencing the people's livelihood. The situation has now changed. The percentage of nonproductive investment has increased from 17.4 percent in 1978 to 42.5 percent last year. It is absolutely necessary to "make up something one has missed." However, the increase in investment in nonproductive projects is still too little and lags behind the people's needs. This is because our country's low productivity cannot afford to keep the rate of investment in nonproductive projects constantly on the rise. In addition, the funds and materials needed for construction of nonproductive projects are provided by productive units, with most of them coming from completed key projects. Any difficulty in the construction of key projects will inevitably affect the smooth development of nonproductive projects. Therefore, in order to promote the development of nonproductive construction, it is necessary to skillfully handle the relationship between major and general projects, properly control the construction of nonproductive projects and intensify the construction of key projects. From a long-term point of view, the construction of key projects will boost the development of nonproductive projects.

4. Implement the principle of "first, feed the people and second, build the country" and properly handle the relationship between accumulation and consumption. Improvement in the people's livelihood should be based on the development of production. This is the goal of developing production and carrying out the construction of major projects. We should by no means sway from this goal. However, only when production develops will the living standard of the people be enhanced step by step. Consumption must be based on the development of production. People's livelihood can hardly be constantly improved if there is no development in production and the construction of major projects. To this end, we must teach the people to maintain a proper balance in the relationship between the state, the collective and the individual and the relationship between immediate and long-term interests.

They must be taught that they should not only "stretch their hand no further than their sleeve will reach" in improving their livelihood, but they should also work hard for the development of production in order to create more wealth for the country and support the construction of state-operated major projects.

Of course, stressing the construction of major projects does not mean to develop the construction of major projects alone, without making overall arrangements in capital construction. It is necessary to maintain a good balance between overall arrangement in capital construction and the construction of major projects so as to ensure the proper development of the national economy.

BO YIBO DISCUSSES POLICY FOR MACHINE BUILDING

OW190055 Beijing XINHUA Domestic Service in Chinese 1522 GMT 18 May 83

[By RENMIN RIBAO reporter Wang Yougong and XINHUA reporter Zhu Weixin]

[Text] Beijing, 18 May (XINHUA) -- At the national meeting to expound technical policies for the machine-building industry held today, State Councillor Bo Yibo praised the State Scientific and Technological Commission, the State Planning Commission and the State Economic Commission for jointly organizing leading members and experts of departments concerned to study and formulate technical policies for various fields in our country. He said: The summing up of experience and lessons in economic construction and scientific and technological undertakings in our country over the past 30 years or more and the formulation of various technical policies by the scientific and technological and economic planning departments working closely together is a historic task of great strategic significance.

Bo Yibo pointed out: To carry out the construction of a key project, we must prove, first of all from a technical angle, whether it is necessary and possible and what kind of technical plan is needed. All these matters must be guided by technical policies. He said: Ours is a country under a planned economy. In formulating all kinds of plans for economic and social development, we must base these plans on technical policies, otherwise things may get out of order. Our economic construction long has suffered too much from a lack of the necessary and correct technical policies.

Bo Yibo said: From my own experience in economic work over the years, I feel profoundly that comrades engaged in economic work must have respect for scientific and technological work and the personnel in such fields. Excellent cooperation between economic departments and scientific and technological personnel will have a beneficial effect on economic work. We have not done sufficient work in this area in the past. It goes without saying that scientific and technological departments and personnel also must cater to the economy and take the initiative in serving economic development. Mutual respect and close cooperation will bring great prospects to our undertakings.

This national meeting to expound technical policies for the machine-building industry opened on 13 May and ended today. Attending were nearly 200 leading members and experts of departments concerned.

10 CITIES TO SHARE CHEMICAL INDUSTRY INFORMATION

OW182055 Beijing XINHUA Domestic Service in Chinese 1209 GMT 18 May 83

[By reporter Yu Xi]

[Text] Shanghai, 18 May (XINHUA) -- A meeting on chemical industry information of the Shanghai economic zone closed on 18 May. At the meeting, a chemical industry scientific and technological information cooperation network of 10 cities in the Shanghai economic zone was formally set up.

In the near future, various cities in the economic zone will exchange, through the network, basic information on each other's chemical industries. Later they will regularly exchange various types of information, have mutual exchanges of visits and hold irregular scientific and technological information work meetings in the 10 cities on a rotational basis.

The 10 cities participating in the scientific and technological information network are Shanghai, Hangzhou, Nanjing, Suzhou, Changzhou, Huzhou [in Zhejiang Province] -- Wuxi, Jiaxing, Shaoxing and Ningbo.

NATIONAL PEOPLE'S AIR DEFENSE MEETING ENDS

HK181014 Chengdu Sichuan Provincial Service in Mandarin 0030 GMT 17 May 83

[Text] The 8-day national meeting to exchange experience in maintaining people's air defense projects ended in Chongqing yesterday. Liu Kai, assistant to the chief of General Staff of the PLA, and Wang Chenghan, commander of the Chengdu PLA units, attended the meeting and made speeches. Also present at yesterday's meeting were Yang Zengtong, chief of staff of the Chengdu PLA units, and Cuan Xuesi, adviser to the provincial government, and responsible members of the provincial PLA district, the Chongqing City government and the city People's Congress.

In his speech at the end of the meeting, Liu Kai said: Relatively rich experiences have been exchanged at the meeting. In particular, Chongqing City has made outstanding achievements in people's air defense work. It has provided us with good experience in the maintenance of projects. This meeting plays a significant role in further enhancing the people's air defense work and making preparations against war in our country.

Comrade Liu Kai said: The maintenance of people's air defense projects is an important and regular task in strengthening the people's air defense work and preparations against war. At present, we must pay more attention to maintenance and management.

Speaking about reforms in the people's air defense work, Liu Kai said: In conducting reforms in the people's air defense work, we must implement the party Central Committee's general policy of proceeding from reality, conducting reforms comprehensively, systematically, resolutely and in an orderly manner, and of taking measures by steps and in a guided manner in order to strengthen the air defense work and preparations against war. All comrades on the people's air defense front must strive to open a new situation in the people's air defense work and make new contributions to strengthening the people's air defense work and preparations against war in our country.

Commentary on Defense Projects

HK190838 Chengdu Sichuan Provincial Service in Mandarin 0030 GMT 17 May 83

["Short" commentary: "Do Well in the Management and Maintenance of People's Air Defense Projects"]

[Text] In building people's air defense projects, it is necessary to adhere to the guiding ideology of linking the requirements of peace and war as the central work, taking such measures as are suitable to local conditions, and attaching importance to results and development. It is essential to organically link the utilization of people's air defense projects with their maintenance and management.

Experiences of all places show that in the course of strengthening the maintenance and management of people's air defense projects, it is necessary to establish an industrial and commercial system, implement specific measures, provide management personnel, and define their duties and tasks. Moreover, it is imperative to pay attention to strengthening investigation and study, constantly discover the new situation, and solve new problems so as to promote the unceasing development of the maintenance and management of people's air defense projects.

With the approval of the National People's Air Defense Commission, the national symposium on the maintenance and management of people's air defense projects, which was held in Chongqing City in our province, was a very good opportunity for us to study. Comrades of people's air defense departments at all levels in our province must take the spirit of the 12th party congress as a guiding principle, learn from advanced experiences of all places, further emancipate their minds, arouse their enthusiasm, improve their work style, strengthen leadership, constantly heighten their initiative for maintaining and managing people's air defense projects, and make necessary contributions toward creating a new situation in the people's air defense industry.

COMMANDER ON STUDY OF MODERN MILITARY SCIENCE

OW181431 Beijing XINHUA in English 1410 GMT 18 May 83

[Text] Wuhan, May 18 (XINHUA) -- Commanders of a Chinese paratroop unit are intensively studying modern military science so as to meet the needs of modern warfare, according to military sources here.

Kang Xinghuo, a paratroop unit commander of the People's Liberation Army, is the initiator of a study program which called on all commanders at and above the regimental level each to write one academic paper of military value a year on either of the 20 subjects he has chosen for them.

The program also included the establishment of a paratroop research institute and the publication of a journal on the theory of modern airborne warfare.

In response to his proposal, the commanders under him wrote 140 papers last year, dealing with all aspects of the building of airborne troops.

Kang Xinghuo gave a leading example by writing two articles on the importance of airborne troops in modern warfare. On the basis of the ideas in his articles, he proposed how to start reforms in paratroop units as regards the use of paratroops and logistic support, in war and training in the peacetime.

HU QIAOMU, DENG LIQUN AT NEWS PHOTO EXHIBITION

OW181429 Beijing XINHUA in English 1216 GMT 18 May 83

[Text] Beijing, May 18 (XINHUA) -- China's best news photos of 1982 are on display at a national exhibition which opened today at the China Art Gallery here.

The 300 exhibits include 30 national prize winners chosen by a 31-member panel of experts from among 1,600 recommendations entered by newspapers and journals in all parts of the country.

The Chinese Photographers Society and the Beijing Society of Journalism are the co-sponsors.

Hu Qiaomu, member of the Political Bureau of the Chinese Communist Party Central Committee and honorary president of the Beijing Society of Journalism; Deng Liqun, head of the Propaganda Department of the Communist Party Central Committee; and Xu Xiaobing, chairman of the China Photographers Society, were present on the opening day.

Topics range from the National People's Congress adoption of China's new Constitution, party and government leaders among the masses, exciting moments in people's lives as they make great efforts to achieve their goals in work.

An introduction to the exhibition said the display portrays China's reality with rich social background.

After seeing the photos, Hu Qiaomu said it is important for newsmen to record the brave deeds of people who are working hard to serve the country, and who are not so well known by other segments of the society.

National newsphoto exhibitions will be held annually starting from this year, a spokesman for the exhibition told XINHUA.

NANJING PLA COMMANDER ADDRESSES RALLY

OW190541 Nanjing Jiangsu Provincial Service in Mandarin 2300 GMT 18 May 83

[Text] The Nanjing PLA units held a mobilization meeting on learning from Zhang Haidi on the afternoon of 18 May. Over 1,600 cadres, fighters, staff members, workers and their dependents attended the meeting.

Li Baoqi, deputy political commissar of the Nanjing PLA units, read a directive of the Nanjing PLA units party committee on further unfolding activities of learning from and publicizing the deeds of Zhang Haidi. He said: 1) It is necessary to study the party Central Committee's instructions and central leading comrades' inscriptions and penetratingly understand the great significance of learning from Zhang Haidi; 2) it is necessary to study the fundamental questions concerning the communist world outlook in the light of the reality in the Army's work; 3) it is necessary to conduct various lively and effective study activities; 4) party committees and political departments at various levels should regard the activities of learning from and publicizing the deeds of Zhang Haidi as an important part of the Army's efforts to build spiritual civilization.

Commander Xiang Shouzhi spoke at the rally. He said: In studying the deeds of Zhang Haidi, we must first learn from her dedication to communism, foster a noble character and a communist world outlook, adopt an optimistic, forward-looking and unyielding attitude toward difficulties and setbacks on our road of revolution, and be confident in and support the bright future of the motherland. We must study Zhang Haidi's perseverance and strive to scale new heights in science and general knowledge. Those who are below junior middle school level must strive to immediately catch up with others; those who are already at this latter level must strive to reach college level.

All cadres and fighters must, in accordance with the needs of their work, study various kinds of professional skills and train themselves into versatile persons ready to do both Army and local construction work. It is necessary to learn from Zhang Haidi's spirit of doing solid work and actively plunge into the practice of communism, vying with each other to become vanguards in military reform. It is also necessary to make continuous efforts to promote the Army's revolutionization, modernization, and regularization in the course of reform.

The participants also viewed a film on Zhang Haidi at the meeting.

SHANGHAI CONGRESS COMMITTEE HOLDS FIRST MEETING

OW181345 Shanghai City Service in Mandarin 1100 GMT 17 May 83

[Excerpts] The first meeting of the Standing Committee of the Eighth Shanghai Municipal People's Congress this afternoon discussed and approved a temporary measure to keep in close contact with deputies to the municipal congress and adopted a decision on members of the Standing Committee of the municipal People's Congress who have held posts in administrative organs of the state.

The decision says: In accordance with Article 103 of the PRC Constitution, all those who have been elected members of the Standing Committee of the Eighth Municipal People's Congress shall be removed from their posts in administrative organs of the state.

Chairman Hu Lijiao of the Standing Committee of the municipal People's Congress presided over the meeting. Vice Mayor Ruan Chongwu attended the meeting as an observer.

The meeting approved the appointment of Shi Ping, vice chairman of the Standing Committee of the municipal People's Congress, concurrently as secretary general of the Standing Committee and the removal of Di Jingxiang from the post of secretary general of the Standing Committee. The meeting also decided to set up six special committees and approved the namelists of appointees on these committees.

SHANGHAI FOREIGN COOPERATION CORPORATION SET UP

OW180906 Shanghai City Service in Mandarin 2300 GMT 17 May 83

[Text] With the approval of the State Council, the Shanghai Foreign Economic and Technical Cooperation Corporation of China was recently set up in the municipality. The Shanghai Municipal People's Government has decided to appoint Comrade (Jiang Chunze) chairman of the board and general manager of the corporation.

The establishment of the Shanghai Foreign Economic and Technical Corporation is conducive to making full use of the municipality's favorable conditions, arousing the enthusiasm of its various economic and technical departments, and developing economic and technical cooperation with foreign countries.

CHEN GUODONG AT SHANGHAI MEETING ON PARTY STYLE

OW190235 Shanghai City Service in Mandarin 2300 GMT 17 May 83

[Text] The Shanghai Municipal CPC Committee held a meeting of responsible party cadres in the city from 11 to 14 May. The meeting was mainly aimed at implementing the guidelines laid down by the second plenary session of the Central Discipline Inspection Commission for bringing about a fundamental improvement in party style in Shanghai as soon as possible.

Attending the meeting were First Secretary Chen Guodong, Second Secretary Hu Lijiao, and Secretaries Yang Di and Ruan Chongwu of the Shanghai Municipal CPC Committee. On behalf of the municipal CPC Committee, Yang Di delivered a summing-up speech at the meeting. Hu Lijiao delivered an important speech on the current work in Shanghai and the arrangements made to improve the work. At the meeting (Wang Yaoshan), head of the preparatory group of the municipal Discipline Inspection Commission, delivered a report entitled: "Implement the Guidelines Laid Down by the Second Plenary Session of the Central Discipline Inspection Commission and Strive To Bring About a Fundamental Improvement in Party Style in Shanghai as Soon as Possible."

Wang Jian, Standing Committee member of the Shanghai Municipal CPC Committee, delivered a report entitled: "The Situation in Striking at Serious Criminal Activities in Shanghai's Economic Sphere and Future Tasks." After warm and earnest discussions, the comrades attending the meeting held that these two reports conformed with the actual situation in Shanghai and unanimously endorsed the reports.

The meeting held: In order to rectify party style, it is first of all necessary to pay attention to one's attitude to the party's line, principles, and policies laid down since the 3d Plenary Session of the 11th CPC Central Committee and to identify oneself politically with the central authorities. To correct party style, the leading comrades must stand in the fore and play their exemplary role well. Whether party style in Shanghai can be basically improved depends on the leading comrades of the party committees and groups in various departments, committees, offices, and bureaus of all the districts and counties in Shanghai. This is an extremely important point.

The meeting emphatically noted: The key to implementing the guidelines of the second plenary session of the Central Discipline Inspection Commission lies in the leading cadres at all levels, particularly those at and above the county and regimental levels.

Prior to overall party rectification, we must stay in close touch with reality, carefully examine our own thinking and work, add to our achievements, correct our mistakes, overcome our shortcomings, set good examples for all the party members in the city, and enthusiastically lead them in studying and implementing the new party Constitution. We must be mentally prepared to carry out overall party rectification and make contributions to bringing about a basic improvement in party style as soon as possible. We must carefully examine whether correct attitudes are adopted in implementing the line, principles and policies of the central authorities, whether there are any signs of weakness and laxity in practicing democratic centralism, and whether official positions or powers are used to seek private gains or display bureaucratic work style. We must carry this out in close connection with our current work, particularly with our work in restructuring and readjusting the leading bodies. Whether we can correctly deal with this kind of restructuring work constitutes a rigid test for all comrades on their party spirit. A report on the examination should be submitted to the municipal CPC Committee before the end of August.

The meeting pointed out: During the new historical period, Shanghai's tasks are arduous. Shanghai has two main tasks: One is to develop its economic construction; the other is to bring about a fundamental improvement in party style as soon as possible and turn its party organs into strong bulwarks that will firmly implement the Marxist line of the party Central Committee.

Both JIEFANG RIBAO and WEN HUI BAO today carried front-page reports on the meeting of leading party cadres sponsored by the municipal CPC Committee. Both newspapers carried on their third page excerpts of the reports delivered by (Wang Yaoshan) and Wang Jian at the meeting.

ZHEJIANG TO REFORM, DEVELOP RURAL EDUCATION

OW181831 Hangzhou ZHEJIANG RIBAO in Chinese 9 May 83 p 1

[Text] The Zhejiang Provincial People's Government recently passed a decision on reforming and developing rural education:

1. The People's Government at all levels should include the reform and development of rural education as an important item in their agenda and regard the training of rural technical personnel as an important part of their overall rural economic development plan.
2. It is necessary to pay attention to popularization of primary school education. All cities and counties should formulate specific plans for popularizing primary school education before the end of 1990. It is necessary to realize the initiative of all concerned in running schools; encourage rural enterprises, institutions, communes, production brigades, other economic collectives, and peasants to run schools with funds raised by themselves; and encourage education departments and production departments to jointly run schools.
3. It is necessary to actively restructure secondary education and develop vocational and technical education, with the emphasis on taking various actions to develop rural vocational and technical education. Before the end of 1985, each county (or city) should have an agrotechnical school. Agrotechnical schools offer 2 to 3 years' education to junior middle school graduates or youth with the same educational level. The agrotechnical school graduates shall return to where they came from to work, and the state will not handle their job assignments. It is necessary to overhaul existing agricultural middle schools, correctly orient their operations, and make them train junior technicians and junior management personnel for rural areas. Junior middle schools in rural areas should run vocational training class and offer vocational training for terms of 1 year or so to junior middle school graduates who cannot or will not go to a higher school, and to educated youth who have returned to their native villages.

The vocational training classes will be gradually popularized after schools gain experience in running them. Regular senior and junior middle schools in rural areas should strengthen labor education, try out the second-category teaching plan promulgated by the provincial education department, and offer elective vocational and technical subjects that meet the needs of local rural development. We should strive in the next 3 to 5 years to set up a preliminary rural vocational and technical education network in our province. The network should consist of schools of various types and levels, with prefectural and city secondary agricultural schools and county agrotechnical schools as primary bases.

4. It is necessary to strengthen leadership over the reform and development of rural education.

BRIEFS

FUJIAN DRY RICE ACREAGE -- Fujian had planted 10.12 million mu of dry rice by 6 May, according to the Fujian Provincial Agricultural Bureau. This is 380,000 mu more than in the same period last year. Beginning late last year, Fujian experienced extremely inclement weather. Peanuts, beans, and other spring harvest crops were seriously affected. Transplanting of early rice seedlings also faced difficulties. Nearly 20 million jin of early rice seedlings were lost. Natural disasters of such magnitude had been rare for many years. A responsible person of the provincial agricultural bureau pointed out that, although sowing of early rice has been basically completed, special attention must be paid to field management in view of the above-mentioned natural disasters, forced delay in sowing and inferior quality of seed, as well as possible coming natural disasters. [Summary] [Fouzhou FUJIAN RIBAO in Chinese 9 May 83 p 1 OW]

FUJIAN CYL MEMBERSHIP -- In the 4 years since the Fujian Provincial CYL Congress in 1978, CYL organizations in Fujian have enlisted 783,806 members. The present total is 1,069,234. In the same 4 years, 40,016 CYL members in Fujian were admitted to the CPC. [Text] [Fouzhou FUJIAN RIBAO in Chinese 4 May 83 p 2 OW]

SHANGHAI PUBLICATIONS DATA -- Shanghai, 3 May (XINHUA) -- The first issue of "Historical Data on Publications" has been published by the Shanghai Xue Lin Publication House. The publication carries only historical data on China's publication enterprises it collects. The first issue contains such articles and memoirs as dealing with the fighting course experienced by Sheng He, Du Shu and Xin Zhi bookstores and the history and present condition of the Commercial Press and Zhong Hua Book Store. This publication is published irregularly. [Summary] [Beijing XINHUA Domestic Service in Chinese 0013 GMT 3 May 83 OW]

GUANGDONG'S REN ZHONGYI ON TAX, CONTRACT SYSTEMS

HK190252 Guangzhou YANGCHENG WANBAO in Chinese 17 May 83 p 1

[Report: "Ren Zhongyi's Talk on Relationship Between Replacement of Profit With Tax and the 'Contract' System"]

[Text] "In publicizing and practicing the replacement of profit with tax, we should not set this in opposition to the 'contracting' and economic responsibility systems." This was what Ren Zhongyi, first secretary of the Guangdong Provincial CPC Committee, said at a recent meeting of the Standing Committee of the provincial CPC Committee.

Ren Zhongyi pointed out: We must uphold reform and popularize the replacement of profit with tax in the spirit of reform. Since the 3d Plenary Session of the 11th CPC Central Committee, the central authorities have all along stressed the need for reform. Reform is an important part of the eight character guideline. While not relaxing our efforts in readjustment and reorganization, we must put emphasis on the proper handling of reform. We must tackle the replacement of profit with tax as a major reform and ensure that we do a good job. At the Fifth Session of the Fifth NPC, Comrade Zhao Zhiyang said: "The practice of replacing profit with tax should be affirmed. As far as this reform is concerned, we must take different circumstances into consideration and proceed in a systematic manner." At the provincial party congress, we called for energetic efforts to carry out the replacement of profit by tax and proposed that some enterprises might first combine payments in both profits and taxes. This was in line with the spirit of the national industrial and communications conference. The advantage of payment in taxes instead of profits is that we can put on a steady basis the relations between the state and enterprises, as far as the distribution of profits is concerned. Such relations can be regulated automatically. Given an increase in production, there can be a steady increase in benefits for both the state and the relevant enterprise. Ren Zhongyi said that in preaching the advantages of a conversion from profits to taxes, we must not set the practice in opposition to the responsibility system and disregard the meaning of "contract." First, the central authorities have all along advocated the "contract" system. The leading comrades of the central authorities said long ago: For either industry or agriculture, the contract system works wonders. If we negate the word "contract," then there would be a loss of contact with what has all along been advocated by the central authorities and a loss of continuity. This is liable to create ideological confusion. Second, in light of practice, the economic responsibility system (the contract system in concrete terms) introduced in recent years has yielded very prominent results, with remarkable achievements made. Third, our province has in the past all along experimented with payment in taxes instead of profits, taking this as a version of the responsibility (or contract) system. We have hereto regarded the two as compatible. By "contracting," we mean letting an enterprise have a sense of responsibility, exercise authority, and reap benefits. Thus, it can be full of vitality while subjected to pressure. It is also driven by given motives. We have always associated the following with "contracting": Allowing an enterprise to steadily increase profits turned over to the higher authorities on the basis of a given base, or hand in profits in proportion to the total amount, or pay taxes based on given rates. This is because turning over profits to the higher authorities or paying taxes is a kind of "responsibility" for which an enterprise must "contract." In fact, the contract system followed by some enterprises in the past, which called for retaining profits on a proportionate basis, was in practice very close to the system of paying taxes. The conversion from profit to tax actually allows an enterprise to contract for the task of paying taxes. Therefore, in introducing the practice of paying taxes instead of profits, we should not set this in opposition to "contracting," or to the economic responsibility system, in order to avoid creating the illusion that we are now working on correcting deviations. Fourth, after the conversion from profit to tax, other versions of the responsibility system must remain.

For example, guaranteeing the variety of products and their quality must still be treated as a version of the economic responsibility system for which an enterprise must contract. Both sides concerned must also sign contracts for part of the work on capital construction projects. Those involved in an enterprise must introduce either the responsibility or the contract system at all levels.

GUANGDONG CALLS FOR STRUGGLE AGAINST SMUGGLING

HK180944 Guangzhou Guangdong Provincial Service in Mandarin 2350 GMT 17 May 83

[Text] Since last year the province has scored great achievements in fighting against smuggling activities. However, due to continuous smuggling activities resulting from the collaboration between overseas smuggling cliques and domestic illegal elements, there have been ups and downs in the struggle and relapses have been a common occurrence. It is, therefore, necessary for us to establish an idea of engaging in a protracted struggle and never lowering our guard.

According to statistics of relevant departments, there was a rapid increase in smuggling and trafficking cases in the province in the first quarter of this year as compared with the corresponding period last year, with a total of 426 smuggling ships being ferreted out, and the amount of fines and confiscated money increasing by 58.3 percent over the same period last year. While some smuggling and trafficking cases were very serious, there has also been a rapid increase in the number of scattered and small-scale smuggling cases. Some smuggling elements have been constantly changing their tactics and recklessly carrying out criminal activities.

To cope with the situation, first, we must firmly grasp the antismuggling struggle in key areas and must severely deal with leaders and key elements of overseas smuggling cliques who dare to undermine our country's sovereignty and recklessly carry out smuggling activities, and those domestic elements who gang up with overseas smuggling cliques. Second, we must continue to firmly grasp the work of straightening out grass-roots units in areas with serious smuggling activities, and must vigorously strengthen the management work of those industries engaged in processing and assembling for foreign trade. On one hand, we must provide facilities to overseas clients in carrying out normal business activities; on the other hand, we must take strict precautions against smuggling activities by illegal elements who take advantage of defects in management work. All departments concerned are now working out measures to plug all loopholes.

SHENZHEN SHOWS CONTINUOUS INDUSTRIAL GROWTH

HK131447 Beijing ZHONGGUO XINWEN SHE in Chinese 0805 GMT 13 May 83

[Text] Guangzhou, 13 May (ZHONGGUO XINWEN SHE) -- In the first 4 months of this year, industrial production in the Shenzhen Special Economic Zone showed continuous growth. Up to the end of April, total industrial output value of the whole city increased by 25 percent compared with the corresponding period last year. From January to April, total output value for six major specialized industrial companies increased by 36.6 percent compared with the corresponding period last year.

Industrial production for these 4 months in the Shenzhen Special Economic Zone proceeded under conditions marked by relatively high precipitation and by relatively great difficulties encountered in obtaining coal, electric power, and other sources of energy. Thanks to the start of a reform in the leadership system and the management system in the first quarter and the formulation of the "Regulations Governing the Control of Industrial Companies of Shenzhen City," there has been a great improvement in the operation and management of enterprises.

Since the introduction of the new employment system and the wage incentive system, there has also been a great improvement in the workers' enthusiasm. Relatively great economic results have been achieved.

In addition, in the first 4 months of this year, various industrial companies in the city have paid close attention to the trial manufacture of new products. More than 10 new products are already in production, including 200-watt electronic clock voltage regulators. There has been a good demand for Shenle brand triple-purpose receiver-recorders and the 8282-type receiver-recorder, and other new products successfully produced by the Kangke Electronic Company and the Baohua Electronic Company.

GUANGXI STRESSES NEED TO OVERCOME FACTIONALISM

HK181329 Nanning Guangxi Regional Service in Mandarin 1130 GMT 14 May 83

["Broadcast talk": "Resolutely Rectify the Erroneous Practice of Appointing People According to Their Factional Relations"]

[Text] To have purer party character and eliminate factionalist influence is an essential problem which needs to be solved at present, in clearing the aftermath of the Cultural Revolution. In carrying out the structural reform and selecting and appointing members of leading bodies at all levels, we also must uphold party character and overcome factionalism. Only in this way can we adhere to the party's line of selecting cadres on their merits and according to their political integrity and ability, and check the erroneous practice of appointing people according to their factional relations.

Since the 3d Plenary Session of the 11th CPC Central Committee, we have made an effort to set to right things which had been thrown into disorder, ferreted out the factional system of the Lin Biao clique and the gang of four, strengthened education on party character for party members, and consolidated leading bodies at all levels. As a result, the factionalist influence has been gradually weakened.

However, the aftermath of the factionalist struggle provoked by the Lin Biao clique and the gang of four has not so far been completely eliminated. Some individual leading cadres and certain departments still show a rather serious tendency to appoint people according to their factional relations. Currently, some leading people, in evaluating cadres, still adopt the point of view that was prevalent in the Cultural Revolution. Selecting cadres according to their factional relations, these leading people assign important posts to people of their own factions, disregarding the latter's ability, performance, and political integrity. On the contrary, they discriminate against and do not trust those cadres who hold differing viewpoints. Some people even shield the three types of people, turning big problems into small problems and small problems into no problem at all, as long as the latter are absolutely obedient to them and fawn over them. Since some leading cadres are practicing factionalism, those who believe in factionalism try to get promoted by seeking backstage bosses and promoting unhealthy practices, instead of improving their political integrity and performance.

Facts show that the practice of appointing people according to their factional relations is pernicious. First, it goes against the party's line of selecting cadres on their merits and stifles some outstanding cadres who have both ability and political integrity and are in their prime. Second, it covers up the three types of people and gives the green light to them in their attempt to sneak into leading bodies at all levels. Third, it prevents us from eliminating the factionalist influence derived from the Cultural Revolution, undermines the situation of stability and unity, and brings losses to the party's cause.

We must take the interests of the party and the revolution as our first consideration, be fully aware of the disastrous effect of the practice of appointing people according to their factional relations, and resolutely struggle against factionalism.

At present, in order to properly carry out the structural reform and form our leading bodies with good cadres, we must check the erroneous practice of appointing people according to their factional relations and promote outstanding people in various fields strictly in accordance with the requirement laid down by the CPC central authorities for more revolutionary, younger, better educated, and professionally competent cadres, and also the six basic requirements stipulated in the new CPC Constitution for leading cadres at all levels. Thus we will be able to ensure the purity of our leading bodies and lead the masses to build the four modernizations with one heart and one mind.

HAIKOU CUSTOMS HELPS SPEED HAINAN DEVELOPMENT

HK181105 Haikou Hainan Island Service in Mandarin 0330 GMT 17 May 83

[Text] Haikou customs has seriously implemented the minutes of discussions of the CPC Central Committee and the State Council on speeding up the exploitation and building of Hainan Island. In the light of benefits to production, it has taken flexible measures to inspect and pass imported materials and has been praised by relevant departments.

Since 1 April this year, units, including the Hainan Huaqiao building office, the Hainan fishery-industry-commerce combined company, and the Chengmai County Huaiqiao farm, have imported eight batches of materials one after another which were worth HK\$1.1 million. The import of these materials was approved before 1 April, or last year. Although there are now no express, specific, and detailed regulations on the exemption from customs duty, proceeding from benefits to production, customs has taken flexible measures to pass the materials easily, so that they could be used at an early date.

Furthermore, in compliance with the spirit of the instruction in the documents on making full use of small ports around the island, Haikou customs has kept ties with relevant counties and sent work groups to three cargo loading and unloading points: Sanya Port, Baimajing Port, and Qinglan Port -- and to Puqian Port which is an outlet for exported goods, so as to suit the development of foreign trade.

HUBEI'S JIANGNAN UNIVERSITY EXPANDS ENROLLMENT

OW181309 Beijing XINHUA in English 1221 GMT 18 May 83

[Text] Wuhan, May 18 (XINHUA correspondent Qin Xinmin) -- One of the examples of China's efforts to speed up recruitment of students in universities and vocational institutes, to fuel its economic modernization programs is the Jiangnan University, a three-year vocational university in the industrial city of Wuhan, capital of China's central Hubei Province.

The university was founded in 1980, and now has 1,400 students, according to its vice-president, Liu Jiamu. Liu said Jiangnan will take in a further 1,500 high-school graduates this year, as part of a plan to expand its enrolment to 6,000 students by 1985, and 10,000 by the end of the decade.

Jiangnan University is one of a number of similar institutions set up in China's major cities during the past few years to meet rising demands for trained specialists. Its students are recruited locally and live at home -- unlike regular universities, which provide rooms in dormitories. Jiangnan students must also pay tuition fees amounting to 20-25 yuan per semester, and are not assigned jobs by the state following graduation.

Liu said Jiangnan's graduates are recommended to prospective employers, and should have no difficulty finding jobs because the university's 21 specialties -- including management, civil engineering, precision machinery and secretarial skills -- are closely linked to economic demand. The fact that its students were not automatically assigned to state industries also helped increase enthusiasm for study, Liu added.

A recent survey of nearly a thousand Jiangnan University students showed that over 85 percent received good grades and 99 percent passed their examinations. Liu Jiamu said the vocational university has been growing in popularity. Over a hundred applications were sent this year by students from other cities, he said, but only those who had relatives in Wuhan would be allowed to sit Jiangnan's entrance examinations.

Lie said there was a great need for institutions like the Jiangnan University. Engineers and technicians made up only about five point four percent of the more than one million workers in Wuhan, he said, and only twenty-percent of the number of university graduates needed had been assigned to the city during the past three years.

Liu said there was also a severe shortage of places in China's institutions of higher learning. Since 1977, he said, only four to six percent of the city's senior high-school graduates had been admitted to college. It was difficult to increase enrolment in regular universities, he added, because they had to provide their students with both rooms and board. But there was no such problem at day-universities like Jiangnan, which were also easier to fund, Liu said. The advantages of the day-universities have been recognised by China's Ministry of Education. The ministry has decided that, from this year, all locally-enrolled students will live at home, in a move designed to create more university places.

The Jiangnan University's expansion will keep pace with the size of its student body, Liu said. Two new libraries and a 3,500 square meter laboratory building with audio-visual teaching facilities are scheduled for completion next year. The president of Jiangnan and the mayor of Wuhan have also visited community universities in Pittsburgh, in the United States, to draw on the experiences of similar institutions overseas. Wuhan and Pittsburgh have sister-city ties, Liu said.

HUNAN BRIGADES REFUSE TO LEAVE STATE-OWNED LAND

HK190320 Changsha Hunan Provincial Service in Mandarin 2310 GMT 16 May 83

[Summary] A few leaders of two brigades in the Changsha suburbs refused to leave the land appropriated by the state for building the Changsha railway station obstructing the work of 30 construction units and the more than 30 million yuan project, and seriously affected the normal procedure of state construction. The provincial CPC Committee and government have attached great importance to the matter and instructed relevant departments to solve it as soon as possible.

According to the needs of city planning and the Changsha railway station project, the provincial and city revolutionary committees made a decision in 1975 to move the two brigades in the Changsha suburbs to the north of the Beijing-Guangzhou railway.

During the requisition of land, the responsible departments of Changsha made appropriate arrangements in production and livelihood of the masses and commune members of the two brigades according to the state land policy. The departments concerned also offered employment opportunities to some people of the two brigades. However, the leaders of the two brigades, making all kinds of excuses for doing so, disregarded the relevant land policies of the state and the decision of the provincial and city leading organs, and refused to hand over the remaining 300 mu of land and move the 300 households from the spot. They also used the requisitioned land not yet handed over to extort money and materials from the state and construction units.

In the past few years, besides the state compensation, the two brigades also claimed an extra 440 cubic meters of timber, 145 tons of steel products, 780 tons of cement, and 232 tons of coal from the construction units, which amounted to over 350,000 yuan.

In order to solve the problem of the two brigades, the leading comrades of the province, city, and suburbs successively held some tens of meetings to publicize the policies and dispatched work teams to help solve the problem, but all efforts were in vain. The construction units and broad masses have strongly demanded that the leaders of the two brigades adopt a correct attitude, take the interests of the whole into account, and lead the commune members to leave the requisitioned land as soon as possible.

HUNAN CPC COMMITTEE ASSAILS HOUSING MALPRACTICES

HK190703 Changsha Hunan Provincial Service in Mandarin 2310 GMT 17 May 83

[Summary] The provincial CPC Committee held a meeting attended by responsible cadres of the organs directly under the province to convey the spirit of the 2d plenary session of the Central Discipline Inspection Commission. At the meeting, Comrade Shi Xinshan, member of the Standing Committee of the provincial CPC Committee and secretary of the provincial Discipline Inspection Commission, made concrete arrangements on the problems of straightening out the party style.

Comrade Shi Xinshan said: "This year we must resolutely curb and straighten out the unhealthy tendencies of building and distributing houses, attempting to turn agricultural people into nonagricultural people, and privately and recklessly sharing the state properties during the structural reform. At present, the focal point of straightening out the party style is to resolutely curb and correct the unhealthy trend in building and distributing houses."

Comrade Shi said: "In the organs directly under the province, the problem in building and distributing houses is mainly manifested in the following ways: First, there are some units that have violated the relevant stipulations and financial discipline. They have exceeded the planned quota, area, and standard in building houses for cadres; and second, in the distribution of houses, some leading cadres made use of their power to get more and larger houses. Some occupied houses in two, and some even in three or four, localities."

Comrade Shi particularly demanded that the vast number of party members and cadres of the organs directly under the province take the lead in straightening out the party style. Aiming at the problems existing in the party style, he urged that a special meeting be held to examine the implementation of the line, principle, and policies formulated by the CPC Central Committee, the adherence to democratic centralism, and the curbing of bureaucraticism among leading cadres.

AN PINGSHENG ATTENDS YUNNAN PRODUCTION MEETING

HK180311 Kunming Yunnan Provincial Service in Mandarin 1100 GMT 13 May 83

[Summary] From 5-12 May, the Yunnan Provincial CPC Committee held in Kunming a conference of secretaries of county party committees, studying how to boost industrial and agricultural production, so that the comprehensive development level of the national economy in our province this year will not be lower than that of last year. The conference pointed out that the most important task at present was to boost industrial and agricultural production in the next 8 months of this year.

The conference opened with a report given by Pu Chaozhu, deputy secretary of the provincial CPC Committee and governor of the province, on opinions regarding doing a good job in economic work in 1983. A report on striving for a successive growth of agriculture in our province was given by Liu Shusheng, deputy secretary of the provincial CPC Committee. Comrade An Pingsheng spoke at the end of the conference.

The conference held that the economic situation in our province was excellent. The crops were in good condition, and grain and oil were expected to have a good harvest. Sugar production was increased despite frost and snow. Despite a shortage of energy resources, the output value in industry for the first quarter of the year increased 9.5 percent compared with the same period of last year. The advance and good performance of agriculture has given impetus to the whole national economy.

"The conference held that the excellent situation in our economy was mainly due to the continuous and steady growth of agriculture since the 3d Plenary Session of the 11th CPC Central Committee. The conference pointed out that with the implementation of the systems of contracted responsibilities and various agricultural policies, many important changes in our agricultural economy took place: agriculture was turning from the direction of collective and semicollective economy to the direction of commodity economy, and from traditional agriculture to a modern agriculture of specialization and socialization. We are entering a new period of commodity production in the cities as well as in the countryside."

The conference held that the realization of an all-round bumper harvest in agriculture was still the cardinal task in economic work in our province. The internal structure of agriculture should be continuously readjusted without affecting the normal work in our province. The internal structure of agriculture should be continuously readjusted without affecting the normal work in agriculture, and industrial crops should be developed to enhance the income of peasants. Forestry and animal husbandry should be actively developed. Sideline production of peasants should be promoted as potential in this respect was very great.

The conference held that industrial production should regard the improvement of economic results as the key link, so that the phenomenon of eating from the same big pot and egalitarianism can be resolved. Administrative organs at various levels should give active support to the collective industry in the cities as well as in the countryside. The insufficient circulation in commerce was a conspicuous problem in the economic development of our province. Therefore, reform in the commerce system had to be enforced. Grassroots supply and marketing cooperatives in the countryside should restore the nature of socialist cooperative commerce, adhering to the mass line organizationally, to democratic management, and to operational flexibility, turning themselves gradually into comprehensive rural service centers. County supply and marketing cooperatives should become associated economic organizations of the various grassroots supply and marketing cooperatives. The system of paying taxes instead of profits should be imposed on large and medium-sized state-run commercial units. The scale of accounting units should be rationally readjusted. Wholesale and retail business should be separately operated and audited.

The conference asserted that strengthening the party's leadership in economic work and adapting the ideology, style of work, and methods of the cadres at various levels to the requirements of the new situation would play a decisive role in expediting the development of the national economy and in ensuring the fulfillment of this year's task. Leading cadres at various levels should resolutely implement the spirit of the 12th CPC Congress, seriously sum up the experiences of various places since the 3d Plenary Session of the 11th CPC Central Committee, and effect a renovation in ideology, so that a guiding ideology can be established: to grasp agriculture with one hand and to grasp industry with the other; to grasp production with one hand and to grasp circulation with the other; to facilitate the social division of labor and to encourage technological progress; and to develop comprehensively and make rational use of national resources. Various forms of economic responsibility systems should be further perfected so that the initiative of the peoples of all nationalities in the province can be mobilized.

The conference pointed out that the work of structural reform at the provincial level had basically completed; the reform at the prefectural and city levels would be gradually unfolded. The units concerned should make good preparations beforehand so that production can be carried on without hindrance when reform is in progress.

The conference called on all party members and cadres of various nationalities in the province to exert great efforts in their work on the basis of the central task of boosting the economic work, and to make contributions to the actual growth of this year's industrial and agricultural production.

AN PINGSHENG AT OPENING OF CONGRESS FOR ADVANCED

HK190858 Kunming Yunnan Provincial Service in Mandarin 1100 GMT 16 May 83

[Summary] The 11th provincial congress of advanced collectives, advanced producers, and advanced workers opened in Kunming on the morning of 16 May. Attending the congress are over 1,000 representatives from various fronts: industry, transportation, capital construction, finance and trade, education, scientific research, culture, physical culture, agriculture and forestry, water conservancy, meteorology, law, public security, and party and governmental work. Apart from model workers, there are Red and expert intellectuals, engineers and technicians, leading cadres, rear-service personnel, public security men, and armed police.

Opposite the rostrum of the People's Hall where the congress is taking place, is a huge slogan that reads: Seriously implement the spirit of the 12th CPC Central Committee, and strive for the creation of a new situation of the all-round socialist modernization construction.

The opening ceremony was presided over by Yu Huoli, member of the Standing Committee of the provincial CPC Committee. Pu Chaozhu, deputy secretary of the provincial CPC Committee and governor of the province, made a speech entitled: "Be Resolute in Carrying Out Reform, Be Brave in Making Innovations, and Effectively Play the Role of the Main Force in Creating the New Situation of Socialist Modernization Construction in an All-Round Way."

In his speech, he reviewed the excellent situation since the 3d Plenary Session of the 11th CPC Central Committee and especially stressed that the working class, as the leading force, has played the role of the main force in developing the excellent situation and has made important contributions. He continued: "The historical mission of the working class is to eventually realize communism. For the present, our task is to create a new situation of socialist modernization construction; and together with the people of all nationalities, strive for the all-round fulfillment and overfulfillment of the 1983 provincial plan for the national economy and the Sixth 5-Year Plan, and to promote the construction of the two civilizations and make new contributions to

the realization of the quadrupling of the annual total value of industrial and agricultural outputs in our province toward the end of the century."

In his speech, Pu Chaozhu stressed the following points: "First, further study and resolutely implement the spirit of the 12th CPC Central Committee, have a full understanding of the historical mission of the working class, be firm in the confidence and determination of the inevitable success of socialist modernized construction and victory of communism, continue to bring into full play the revolutionary heroism of hard struggle, be indomitable and brave, daring to fight and daring to win, and actively plunge into the great practice of the four modernizations construction. It is necessary to learn from Zhao Chune, Jiang Zhuying, Luo Jianfu, and Zhang Haidi, who love their own work, have been doing a good job on their own posts, and have achieved outstanding results, their ideas of communism and selfless attitude to their work. The role of the working class as masters of the country should be brought into play. It is necessary to continuously strengthen the sense of organization and discipline and take an active part in the management of enterprises and put forward rational proposals, and support and supervise the leadership in doing a good job in all fields of work.

"Second, resolutely stand at the forefront of reform, be one of the promoters, and create new situations in all fields of work through reforming. It is necessary to correctly handle the relationship between the state, the enterprise, and the individual, to oppose and resist the erroneous ideas and practice of putting profit-making first, of damaging the public to profit oneself, and of resorting to deception, so as to ensure the healthy development of various reforms in the direction of socialism."

"Third, diligently acquire culture and study well science and technology, strive to raise the level of one's work, and play a leading role in the application and spread of modern scientific technology. It is necessary for the people's governments at all levels and departments concerned to attach importance to the investment in intelligence, and display great enthusiasm in grasping well part-time education of the workers and staff members."

"Fourth, learn from the advanced and catch up with them and embrace socialist emulation in labor, centering on achieving better economic results."

Pu Chaozhu said: "It is necessary to publicize the deeds of advanced collectives and model workers, create an atmosphere of learning from the advanced, and strive to become advanced in the whole society. It is necessary for CPC committees, governments, and mass organizations at all levels to care for and cultivate advanced types with a strong sense of political responsibility, and take a clear cut stand in support of the initiatives of advanced types. A truth-seeking way is to be adopted in regarding advanced models and we must not demand perfection of them. Those who have isolated and attacked advanced people should be criticized and educated, and grave cases should be dealt with seriously."

He concluded the speech by saying: "The task on our shoulders is arduous but glorious. It is hoped that the advanced collectives, model workers, and advanced producers and workers will learn from the masses modestly, guard against arrogance and conceit, add to their achievements, and strive for greater progress."

"The broad masses of workers and staff members should all learn from the good ideas, style, and experiences of model workers and advanced producers and workers, strengthen unity, support each other, pool the wisdom and efforts of everyone, break the path, and advance, and strive for the fulfillment of the various tasks of this year, the realization of the Sixth 5-Year Plan and the creation of a new situation of socialist modernization in an all-round way."

Attending the opening ceremony were leading comrades of the provincial CPC Committee, Standing Committee of the provincial People's Congress, provincial CPPCC Committee, and the provincial Military District, including An Pingsheng, Liu Minghui, Pu Chaozhu, Zhao Tingguang, Liu Shusheng, Sun Yuting, Yu Huoli, Shu Raotien, (Li Shinqiao), (Xue San), Chen Liying, (Liang Jia), (Yang Ming), and (Wang Qiming); leading members of various departments in the province are also attending the congress.

HEBEI PROVINCE'S TANGSHAN PREFECTURE ABOLISHED

OW181349 Beijing Domestic Service in Mandarin 1000 GMT 16 May 83

[Text] According to the Hebei People's Broadcasting Station, with the approval of the State Council, the Tangshan Prefectural Administrative Office in Hebei Province has been abolished. Under a new system, which became effective from yesterday, counties are placed under the jurisdiction of Tangshan and Qinhuangdao Cities.

According to the new administrative division, Fengrun, Fengnan, Luanxian, Luannan, Yutian, Zunhua, Qianxi, Qianan, (Tanghai) and Leting Counties of the former Tangshan Prefecture are placed under the jurisdiction of Tangshan City; Funing, Changli, and Lulong Counties of the former Tangshan Prefecture and Qinglong of the Chengde Prefecture are placed under the jurisdiction of Qinhuangdao City which has been upgraded to a city directly under the provincial authority.

WAN LI HAILS CONSTRUCTION ON KEY LUAN HE PROJECT

HK190345 Beijing RENMIN RIBAO in Chinese 13 May 83 p 2

[Article by Wan Li [5502 6549]: "Grasp the Key Construction Projects in the Spirit of Diverting the Luan He Water Into Tianjin" -- speech made at worksite of Luan He project on 13 February 1983, originally published in JINGJI RIBAO]

[Text] Diverting the Luan He water into Tianjin is a key project approved by the CPC Central Committee and the State Council. It is an important measure that has a bearing on socialist construction in Tianjin Municipality as well as in the North China region. As everybody knows, Tianjin has become a hub of water and land communications, a commercial center, and an industrial base through the ages, and it occupies an important position in our country's economy and communications. At present, in the wake of industrial development and population increase, the water problem has become more and more serious in the whole North China region. The thing that will affect future construction in North China is neither the problem of energy nor the problem of human resources. The situation has become exceedingly clear: The deciding factor for economic development in North China is water. We have conducted a study for more than 20 years and made countless plans with regard to solving the water problem in Tianjin before finally deciding that the best solution is to divert water from the Luan He.

Work on the project for diverting the Luan He water into Tianjin formally began in May 1982, and it is a foregone conclusion that water will start flowing by "1 October" this year. Once the flow has started, 1 billion cubic meters of water can be supplied to Tianjin each year, and this will greatly ease the tense water situation for industrial production as well as people's livelihood in Tianjin Municipality.

We are delighted to see that the project for diverting the Luan He water into Tianjin is, in the first place, of a high quality, and secondly, is efficient and progressing speedily. The reason why this project can be completed so quickly and well is that under the party's leadership, the cadres, fighters, workers, engineers, and technicians have displayed the spirit of going all out; the leading cadres have gone deep into the worksite; the masses have relied on science and brought their wisdom, talent, and zeal into play. This is a great undertaking carried out by those who have participated in the project for diverting the Luan He water into Tianjin under the inspiration of the 12th party congress.

The main task of constructing this key project is being shouldered by the Railway Corps and the PLA units stationed in Tianjin. The Chinese PLA has rendered outstanding service in the socialist revolution and socialist construction. In this project for diverting the Luan He water into Tianjin, the commanders and fighters of the PLA have also spearheaded the attack, served as advance troops, and charged bravely forward.

The slogan of "Diverting the Luan He water into Tianjin and bringing benefit to the people" has been deeply etched in the hearts of the broad masses of commanders and fighters. They have given play to the spirit of "fearing neither hardship nor death," endured great sufferings and hardships, studied diligently and trained hard, guaranteed high quality, and effectively fulfilled their tasks. The carrying out of the project for diverting the Luan He water into Tianjin has again demonstrated that the spirit of fearing neither hardship nor death, coupled with science, technology, and scientific management, will produce high quality, efficiency, and combat effectiveness.

The Chinese PLA defending the socialist motherland and taking part in socialist construction will not be forgotten by people throughout the country. In the manner of supporting the frontline in former years, the people of Tianjin have brought the commanders and fighters many tokens of their appreciation. Why did Tianjin send several hundred thousand people to voluntarily work alongside the PLA in diverting the Luan He water into Tianjin when the mobilization order was given? Why did Tianjin dispatch comfort delegations to visit the PLA during the Spring Festival? Because the people of Tianjin have for a long time been keenly aware of the hardships of not having enough water and of drinking brackish water. They earnestly hope that the clear water of the Luan He will flow into Tianjin at an early date. In the future, the people of Tianjin will, from generation to generation, think of the sweetness and source of this blessing when they drink the water. The "sweetness" and "source of blessing" are the energetic support of the PLA and the people of Hebei. Naturally, the primary "source of blessing" is the leadership of the CPC and the superiority of the socialist system.

The 279 key projects affirmed by the "Sixth 5-Year Plan" will be an important guarantee for achieving the goal put forward by the 12th party congress of quadrupling the annual gross output value of our industry and agriculture by the end of this century. If the comrades taking part in the construction of other key projects can have a good grasp of the overall situation, rely on science, and boldly carry out innovations in the manner of the builders of the project for diverting the Luan He water into Tianjin, and have such an enterprising spirit in making every second count and fearing neither hardship nor death, there will be a reliable guarantee for achieving our magnificent goal. At present, we must grasp the other key projects in the spirit of diverting the Luan He water into Tianjin, so that all projects can be quickly and properly carried out to lay a solid foundation for promoting the vigorous development of our national economy in the following decade.

NEI MONGGOL DEVELOPS COMPENSATORY TRADE

SK080835 Hohhot Nei Monggol Regional Service in Mandarin 1100 GMT 7 May 83

[Text] According to JINGJI RIBAO, while gathering material in Ju Ud League, a reporter heard everywhere that cadres and people of various nationalities in the league are praising the high work efficiency of the Ministry of Coal Industry, the Ministry of Railways, the Ministry of Metallurgical Industry, and leading comrades of Liaoning Province and that they are grateful for their support and help.

Ju Ud League is located in the eastern part of the region, which is where the Yuan-baoshan mine, one of the country's five major open-cut mines, is located. In order to accelerate its economic development, the league has carried out compensatory trade with Suzhou Prefecture in Jiangsu Province, in line with the former's abundance of natural resources. It is specified that Suzhou should provide 32 million yuan of interest-free loans to help Ju Ud League build two sugar refineries, which can each refine 500 tons of beets per day. Ju Ud League, in turn, should provide 100,000 to 150,000 tons of coal to Suzhou every year for the next 12 years. This benefits both sides.

In the course of holding trade talks, there were complicated problems which could not be solved by the two sides, such as the transfer of coal to Suzhou, railway transport, and exchange coal transport targets. To solve these problems, (Yu Enbo), deputy secretary of the Ju Ud League CPC Committee, and five other persons made a special trip to the Ministry of Coal Industry and asked for a solution to the problem of transferring coal to Suzhou. This problem was solved in 3 days, just after it had been reported to Minister Gao Yangwen. To avoid long-distance transport, Minister Gao Yangwen suggested transporting Ju Ud League's coal to Liaoning instead of Suzhou -- the former being nearer than the latter -- and transporting from Shanxi to Suzhou coal allotted to Liaoning by the state. This suggestion was vigorously supported by the Ministry of Railways, the Ministry of Metallurgical Industry, and Liaoning Province. At the same time, Liaoning Province signed contracts on exchanging coal transport targets with comrades in Ju Ud League, and agreements were reached in only 3 days.

During this period, comrades of Ju Ud League visited dozens of units and they were warmly received by 11 ministers, vice ministers, secretaries of various provincial CPC committees, and governors. They have been deeply impressed by the good work style and sense of timeliness of these units and leading comrades.

Recently, Ju Ud League received the first remittance from Suzhou in line with the agreement.

NEI MONGGOL REGIONAL MEETING CALLS FOR REFORMS

SK130343 Hohhot Nei Monggol Regional Service in Mandarin 1100 GMT 12 May 83

[Excerpts] This afternoon, the regional CPC Committee held a meeting of party-member cadres of regional organs at or above department and section levels at the Nei Monggol Gymnasium. Bu He, deputy secretary of the regional CPC Committee, delivered a speech at the meeting, calling on party members and cadres of various nationalities across the region to further strengthen studies with an enthusiastic and enterprising spirit to intensify unity, and under the correct leadership of the party Central Committee and the regional CPC Committee, to work with one heart and one soul and to unify and lead the masses to grasp reforms and all spheres of work in a down-to-earth manner, to develop the excellent situation, and to win a greater success.

In his speech, Comrade Bu He spoke in detail about administrative reform work. He said: The regional CPC Committee has decided to speed up administrative reform work of the party and government organs. Leading bodies of departments, committees, offices, and bureaus of the regional-level organs must be reorganized by early June and that of leagues and cities by mid-June. We have already dispatched administrative reform leading groups to help in the work under the unified leadership of the league and city CPC committees. Administrative reform work of departments, committees, offices, and bureaus of the regional-level organs must be conducted with the coordination of the personnel affairs group of the regional CPC Committee, relevant departments and the party group of various offices and bureaus.

All comrades including those of the personnel affairs group, of departments, and bureaus and those who are ready to retreat to the second and third lines and those who are going to remain in their leading posts must have a high sense of responsibility, work boldly, and, in line with the guidelines of the central authorities and under the leadership of the regional CPC Committee, give full rein to democracy, repeatedly conduct discussions and draw on collective wisdom, and absorb all useful ideas. This task is arduous and complicated. So long as we resolutely work in accordance with the regulations and demands of the central authorities, we will certainly fulfill the above task within the prescribed deadlines.

Comrade Bu He also stressed in his speech that while carrying out administrative reform work of party and government organs in May and June, strenuous efforts must also be made to grasp party consolidation experimental work so as to create conditions and make preparations for comprehensively carrying out party consolidation work in the latter half of the year.

At the meeting, Ba-tu-gen, deputy secretary of the regional CPC Committee, also relayed important documents of the central authorities. Qian Fenyong, deputy secretary of the regional CPC Committee, delivered a speech on the progress of developing the Jungar coal mine.

The meeting was presided over by Liu Guiqian, deputy secretary of the regional CPC Committee. Cai Ying, (Zhu He), Wu En, Li Xiangyi, Tian Congming, and Xu Lingren, Standing Committee members of the regional CPC Committee, as well as party members and cadres of regional-level organs at and above department and section levels -- a total of more than 5,000 persons -- attended the meeting.

SHANXI FOREIGN TRADE BUREAU CORRECTS MALPRACTICES

SK160900 Taiyuan SHANXI RIBAO in Chinese 25 Apr 83 p 1

[Excerpts] On the afternoon of 23 April, Li Xiuren, deputy secretary of the provincial CPC Committee, convened a meeting of members of the leading party group of the provincial Foreign Trade Bureau to investigate and deal with the bureau for disregarding the party's discipline and the state laws and secretly dividing up a large amount of public property.

RENMIN RIBAO 15 April carried the news criticizing the Shanxi provincial-level organ for privately dividing up public property. After this, Li Ligong, secretary of the provincial CPC Committee, and Li Xiuren, deputy secretary, paid special attention to this case and immediately instructed the Discipline Inspection Commission of the provincial CPC Committee to conduct a conscientious investigation and deal with it.

Comrade Li Xiuren pointed out: Since the 3d Plenary Session of the 11th CPC Central Committee, the CPC Central Committee has issued repeated injunctions to rectify the party style and check malpractices. However, the leading cadres of the provincial Foreign Trade Bureau have turned a deaf ear to them. As a result, such malpractices as violating the laws and disciplines and appropriating public property have become more serious instead of being minimized or eliminated. This has not only led to serious losses to the state, but has also been an extremely bad influence on the masses. After the 12th party congress, while the whole party is striving for a fundamental turn for the better in the party style, the leading cadres of the provincial Foreign Trade Bureau have gone so far as to divide up a large amount of public property on the opportunity of carrying out administrative reform. This cannot be tolerated at all. Their malpractices are very serious because they were committed knowingly.

Comrade Li Xiuren said: In the course of implementing the policy of increasing economic contacts with foreign countries and stimulating its domestic economy, it is necessary to guard against the corruptive influence of the bourgeois ideology at home and abroad. Only by so doing can we successfully implement the policy. The malpractices of the provincial Foreign Trade Bureau are not occasional. This is a result of the leading cadres neglecting their spiritual construction for a long time and being slack in conducting ideological education among workers and staff members. Therefore, through correcting these malpractices, it is necessary to restudy the important instructions of the CPC Central Committee on rectifying party style and enforcing party discipline in line with the practical ideological situation. It is also necessary to strengthen ideological and political work, conscientiously consolidate the ranks of foreign trade, and thoroughly eliminate all malpractices engaged in the past few years.

We should conscientiously sum up and draw lessons from this case and heighten the consciousness of the leading party groups and all party members and cadres in preserving the purity of communism. Only by so doing can we open a new situation in the foreign trade work.

It is said that the provincial Foreign Trade Bureau met yesterday to conduct a study and investigation. The large number of readers across the province are waiting for its correction.

SPECIFIES ON SHANXI TAX PAYMENT SYSTEM

SK131154 Taiyuan SHANXI RIBAO in Chinese 22 Apr 83 p 1

[Text] How should state enterprises replace profit delivery with tax payments? Yan Yuansuo, director of the provincial financial bureau, put forward 10 specific measures at the current provincial conference on replacing profit delivery with tax payments.

Yan Yuansuo said: The work to replace profit delivery with tax payments is an important event in the current economic system reform. The Standing Committee of the provincial party committee has conducted a special study on this work. In line with the guidelines of the national work conference on replacing profit delivery with tax payments and the provincial party committee's instructions, and in line with our province's current economic development and the situation in the implementation of various management contract responsibility systems, it is decided that the following 10 measures should be vigorously and systematically applied:

1. Large and medium-sized industrial and communications enterprises having a great influence on provincial revenue, and other enterprises that have not enforced contract systems should replace profit delivery with tax payment this year in accordance with the unified regulations of the central authorities. Enterprises that have already signed contracts should either institute the tax payment system this year if conversion is possible or institute the system next year if conversion is difficult.
2. Enterprises of trades which are assigned fixed quotas for deficits or contract for keeping a balance this year shall not institute the tax payment system for the time being.
3. In line with the instruction issued by a leading comrade of the State Council, that state commercial wholesale enterprises are not permitted to sign contracts, these enterprises should replace profit delivery with tax payments; large and medium-sized commercial retail enterprises should, generally, also replace profit delivery with tax payments. Other commercial retail enterprises should institute the tax payment system either this year, if possible, or next year. Food or vegetable companies, with those at county or city levels as units, should pay income taxes on profits. Those suffering deficits due to implementation of policies are assigned fixed quotas or plans for deficits and will be subsidized. They will not have subsidies for above-quota deficits but can share a portion of the amount of deficits which they have reduced when their deficits are below the quotas.
4. Supply and marketing cooperatives and companies at and above the county level, with those at the county level as units, should pay income taxes in accordance with the eight-grade above-quota progressive taxation rate and shall not be allocated funds by the state; the state will not subsidize prices of commodities except for a few designated by the state.
5. All guest houses, restaurants, and catering and service companies which do business should pay 20 percent of their profits as income tax regardless of whether they make or lose money after paying the taxes. The state will no longer allocate funds to them.

6. Enterprises that lost money in 1982 but make money in 1983 should pay 55 percent of their profits as income taxes or pay the eight-grade above-quota progressive income taxes. These enterprises retain all the remaining profits. But if the remaining profits are lower than the incomes they gained through legal methods in 1982, these enterprises can enjoy a reduction of or exemption from income taxes as preferential treatment. But their profits should not be higher than those of enterprises making the same amount of money.
7. Enterprises that have gained approval of prefectures, cities or counties to enforce the Shoudu Iron and Steel Company's regulations of contracting for a progressive increase in profits should replace profit delivery with tax payments. If they want to continue the contracts for a progressive increase in profits, they should submit reports through the province to the State Council, or the State Economic Commission or the Ministry of Finance for examination and approval. Enterprises which are planning to adopt the method of contracting for a progressive increase in profits and have not made final decisions should abandon this method.
8. Enterprises which, before the state regulations for tax payment were transmitted to them, had already replaced profit delivery with tax payment using their own measures, should conduct conversion according to the unified regulations and implement the state unified regulations. If conversion is difficult, they can maintain their own measures for the time being.
9. If, after county-run industrial enterprises institute the tax payment system instead of profit delivery, county revenue is affected, the amount of revenue the county loses may be returned to it after examination, verification, and approval of prefectures or cities.
10. Enterprises which are to institute the tax payment system next year should, in principle, decide on the amount of profits they are entitled to retain on the basis of their 1982 base figures. Otherwise, when too much profit is retained, the differences in profits between enterprises will become greater and the steady increase of the state revenue will be adversely affected.

In short, all enterprises, no matter if they institute the tax payment system this year or not, should implement the principle that the state takes the largest share, the enterprise takes the next largest share, and the remainder goes to individuals. Those that do not institute the system this year should make vigorous preparations for enacting it next year.

COMMENTARY ON ILLEGAL HOUSING IN TIANJIN

SK081116 Tianjin City Service in Mandarin 0030 GMT 8 May 83

[Station commentary: "Conscientiously Check and Deal With Party-Member Cadres' Unhealthy Trends in Building and Distributing Houses"]

[Summary] "The open letter issued by the Discipline Inspection Commission of the CPC Central Committee on resolutely checking the unhealthy trend of party-member cadres building and distributing houses is receiving warm support and an enthusiastic reaction from the broad masses of party-member cadres and the people in Tianjin Municipality.

Recently, the Discipline Inspection Commission of the municipal CPC Committee conducted a survey on the housing situation of leading cadres of seven districts, counties, and bureaus. The results show that the housing situation of most cadres is reasonable and that their behavior in this regard is good. They have shown concern for the people and made strict demands on themselves. In the course of distributing houses, some comrades have put other people's interest ahead of their own and have given precedence to other people out of courtesy and thoughtfulness.

"This is the main trend of the party-member cadres. However, a small number of leading cadres, like (Wang Zezhi), have really abused their position and power to seek private interests and to engage in unhealthy trends in building and distributing houses, greatly corrupting the party work style and violating the law and discipline. All of the five problems mentioned in the open letter of the Discipline Inspection Commission of the CPC Central Committee have been discovered in the municipality. Some leading cadres have appropriated funds for building bridges and commercial networks or funds for special purposes to build living quarters for themselves. Some have extorted money or transferred materials, manpower, and transport facilities from affiliated or subordinate units to build private houses for themselves during the farming season."

Some comrades have appropriated funds and materials and abused their positions and power to extort houses from construction units. Some leading organs have allocated living quarters for some leading organ cadres and their children from those living quarters which their subordinate units have planned to build for staff and workers. In the case of some units, most of the staff living quarters were shared by leading cadres and the staff and workers could share only a few.

Such acts of infringing upon the interests of the masses and impairing the reputation of the party long ago aroused the strong resentment of the people. Noteworthy is that party organizations and leading cadres of some units have turned a deaf ear to such unhealthy trends and acts of malfeasance and let them pass unchecked. Some have even covered up for erring cadres and helped them shirk responsibility. Some leading comrades have not supported the masses to expose and report to the authorities these acts of malfeasance and have not cooperated with the party organizations at the higher level in conducting investigations. Intentionally or not, they have played a part in shielding the erring cadres and encouraging the practice of unhealthy trends.

"These are acts of resistance to the current implementation of the open letter of the Discipline Inspection Commission of the CPC Central Committee on checking unhealthy trends in building and distributing houses. Therefore, in order to rapidly and effectively check such unhealthy trends, we must attach prime importance to eliminating this resistance." What shall we do to overcome this resistance and to check such unhealthy trends? Over the past few years we have gained much very good experience. That is, while distributing houses, party and government leaders at all levels, under the unified leadership of the municipal CPC Committee and the People's Government, have mobilized themselves, as well as all units concerned, to grasp typical cases in order to educate all of the people, thereby checking unhealthy trends in housing construction and distribution within a short period of time and winning success in this work.

Party-member cadres who have committed serious mistakes and have refused to correct them must be given appropriate disciplinary sanctions, and those who have violated criminal laws must be dealt with according to the law. Strict punishment must be meted out for those erring cadres who have retaliated against persons who have exposed their crimes.

BRIEFS

TIANJIN ECONOMIC CRIMINALS -- The Tianjin Municipal Financial and Trade Department cracked 324 economic criminal cases in 1982. Some 209 of them have been concluded, and 78 of them have been cracked but not yet concluded. [Tianjin TIANJIN RIBAO in Chinese 10 Feb 83 SK]

HEILONGJIANG ON RIGIDITY OF PEASANTS' RULES

SK170112 Harbin Heilongjiang Provincial Service in Mandarin 1100 GMT 16 May 83

[Talk by (Zhao Yongsun): "Rules for Peasants Should Not Contravene the Constitution"]

[Text] Since last year many rural communes and brigades have drawn up rules for peasants, something which is a good method of mobilizing the people to exercise self-administration and which has played a positive role in building the spiritual civilization, strengthening the socialist legal system, and maintaining rural public order. However, we have found that the Constitution was violated when some communes and brigades drew up and enforced the rules for peasants.

The major problem lies in encroachment of the citizen's democratic rights. For example, some rules emphasize punishment through fines. People have their workpoints deducted or are fined very easily for such minor things as disputes with neighbors or family members or even contradicting leaders or disobedience to distribution. Some rules even stipulate that the peasants should be fined for swearing at others and the fine should be paid according to the number of the swear words used. When something is lost, leaders make decisions themselves on investigations without reporting to public security organs. They search a whole street or even ransack every family of the village.

Some leaders take their words as law and mete out punishments at will. Such arbitrary punishments encroach on the citizen's democratic rights. Moreover, such a method of meting out punishments often sharpens contradictions and runs counter to the purpose of building the spiritual civilization through strengthening the socialist legal system. This problem has not attracted the attention of some relevant organs and leading comrades. Some of them think that because the rules are drawn up and are to be followed by peasants themselves, rules which are a little stricter will only benefit, not harm, the peasants. They think that over-rigidity in the rules is unavoidable and is nothing serious. Such muddled ideas reflect their lack of respect for the legal system. Therefore, it is necessary to educate them to strictly abide by the Constitution of their own accord.

Every person, organ, and collective should implement the Constitution. The formulation and enforcement of all other laws, decrees, orders, regulations, and provisional constitutions must not contravene the Constitution. Because the purpose of formulating the rules for peasants is to strengthen the socialist legal system, the rules should be in unison with the Constitution. We should reexamine the rules and nullify the articles and correct the methods of implementation that go against the Constitution so that rules for peasants will truly become an effective method reflecting the spirit of the socialist legal system and be conducive to strengthening this system.

HEILONGJIANG HOLDS RALLY ON MALPRACTICES

SK140605 Harbin Heilongjiang Provincial Service in Mandarin 1100 GMT 14 May 83

[Text] CPC committees of organs directly under the provincial People's Government held a mobilization rally on 12 May on checking three malpractices. The rally urged concentrated efforts on eliminating, by the end of June, malpractices in house building and distribution which have evoked strong reactions from the masses. The rally pointed out: The organs directly under the provincial People's Government are the highest administrative organs across the province, and therefore they must pay attention to checking the three malpractices and set an example for the provinces.

The rally pointed out: To eliminate the three malpractices, it is necessary to enhance the understanding of the large number of party members and cadres and, in particular, leading cadres, in order to remove ideological obstructions, conduct investigations to clearly understand the practical situation, conscientiously study policies, and engage in ideological work. The checking of the three malpractices should be conducted from the higher levels to the grassroots and start from the leading organs and cadres at various levels. As for those organs and persons that interfere with the checking of malpractices and give unprincipled protection to evildoers, investigations and severe punishment will be imposed on them.

HEILONGJIANG COMMENTS ON TAX PAYMENT SYSTEM

SK100430 Harbin Heilongjiang Provincial Service in Mandarin 1100 GMT 9 May 83

[Station commentary: "The State, Collectives, and Individuals Can Benefit From the Implementation of the System of Substituting Taxes for Delivery of Profits"]

[Excerpt] According to State Council regulations, state-owned enterprises will soon implement the system of substituting taxes for delivery of profits. Our province has taken the implementation of the system as a key economic reform to promote further reforms in other fields. This is an urgent task for current economic work.

The system is a legislative form to define the relations of distribution between the state and enterprises. This will ensure a stable growth of state revenue and enterprises' legal source of income and be conducive to making enterprises enjoy power to make their own decisions and become an active and independent sector of the economy.

State-owned enterprises are obligated to pay taxes to the state and assume sole responsibility for their own profits and losses. Enterprises are impelled to make efforts to improve operation and management and to raise economic results. In line with the principle of the state receiving a greater part of the profits, the enterprises receiving a smaller part, and individual workers receiving a even smaller portion, we can ensure that the state will have sufficient financial resources to develop key projects and production and continuously improve people's living conditions.

Some comrades worry that the state revenue will be assured but that the income of enterprises will not be ensured after implementing the system of substitution taxes for delivery of profits. In reality there is no need to worry about that.

The system of substituting taxes for delivery of profits to the state has a fixed tax rate and a fixed proportion of distributing the interests between the state and the enterprises. The higher income that the enterprises earn, the more taxes the state will receive, just as when the river rises the boat goes up. On the contrary, the less income enterprises earn, the less taxes the state will receive.

HEILONGJIANG RIBAO ON ILL TREND IN CADRE WORK

SK150814 Harbin HEILONGJIANG RIBAO in Chinese 22 Apr 83 p 3

[Commentator's article: "Correcting the Unhealthy Trend in Cadre Work"]

[Text] At present, while carrying out administrative reform and readjusting bodies, whether or not the unhealthy trend in cadre work can be eliminated is a difficult issue for leading departments and leading bodies at all levels. Most party members and people are waiting and looking forward to seeing the results.

Promoting, training, making use of, mobilizing, and handling cadres is a regular key task of party committees. Since the third plenum, our province has scored remarkable achievements in this area. Owing to pernicious influence of factionalism and unhealthy practices during the decade of internal disorder, cadre work has become a problem of extreme prominence in building leading bodies and in party work style. Viewed from the whole province, the situation in which leading bodies are not united is caused partially by their different views on the lines, principles, and policies of the party and on the four modernizations and, most of all, by their disputes over promoting, making use of, and handling cadres. This is an important reason why some leading bodies are in lax and weak and have lost their fighting capacity.

The unhealthy trend in cadre work is present in many fields. Some appoint cadres not according to their political integrity, ability, and merits but through favoritism. Some promote cadres not in line with the suggestions made by organizations or the majority but by the minority. Some do not judge cadres by viewing their past records in a comprehensive way but by viewing single acts or a short period of life, neglecting changes in the situation. Some cadres are regarded as perfect while some are considered as having saving graces. While promoting and making use of cadres, some insist on the practice of "everybody having an equal opportunity to promote cadres," which has resulted in lowering the standards for cadres. In violation of principles, some promise high posts and other favors to promote a group of cadres by taking advantage of readjustments in administration and transfers of leading cadres. Some demand perfections in cadres, resulting in the fact that there are difficulties selecting a new force. Some discriminate against those who hold different views, deal blows at the advanced, and even deal blows at and frame cadres in the name of exposing and denouncing their mistakes.

In handling the issues of cadres, some turn big problems into small ones and small problems into no problems at all. Some deal with major offenses as if they are minor ones and some do not handle them at all. Some individuals organize factional setups and do not deal with serious offenders. These serious existing problems seriously influence the unity of leading bodies and the development of work.

Leaders at all levels must pay special attention to proceeding from the needs of four modernizations in appointing cadres according to their political integrity, ability, and talents and insist on the principle of choosing cadres from all corners of the country, learning from others' strong points to offset one's weakness, and cooperation between new cadres and old ones. This is as important for correcting the cadre line of leading bodies and important for judging the work style of the party.

MEASURES TO ENHANCE HEILONGJIANG'S REVENUE

SK120350 Harbin Heilongjiang Provincial Service in Mandarin 1100 GMT 11 May 83

[Text] The provincial government held a telephone conference on the evening of 10 May. In view of the situation in which, in the first quarter of this year, our provincial industrial output and the circulation of industrial products increased while the province's revenue dropped, Hou Jie, secretary of the provincial CPC Committee and deputy governor, set forth five specific measures to firmly grasp the province's revenue.

1. In line with market needs, industrial departments should vigorously develop marketable products to increase production, sales, income, and profits delivery. Along with the changed situation in which markets were dominated by sellers in the past and now are dominated by buyers, all plants must focus on improving the quality and variety of products, reducing costs, and creating brandname products to increase economic results and income. Otherwise the products will be eliminated through competition.

All relevant departments should back the reform of policies of plants and enterprises to help apply new techniques, develop new variety of products, produce products of good quality and in short supply, and attend to supplying raw materials and energy for them. Concerned departments should take measures to impose strict restrictions on the enterprises that violate the state plan and blindly develop production, whose products are overstocked for a long time, and that incur heavy losses.

2. Enliven commodity circulation and vigorously sell local industrial products. Industrial and commercial trades should closely cooperate with each other. Industrial departments should try all means possible to produce cheap products of good quality. Commercial departments should try all means possible to sell local industrial products and help find more markets for local industrial products. Efforts should be made to make a unified plan for commodity circulation and strictly restrict other provinces to import goods to our province in blind and unplanned manners.

3. Vigorously promote key trades, key enterprises, key products, and key commodities. We should focus on comprehensive consolidation, technical transformation, and supply of energy and raw materials among key trades and key enterprises. All departments and enterprises should guarantee fulfilling and overfulfilling the revenue and profits delivery tasks. Never should they only take similar gains and accounts into consideration.

4. Attend to both reform and income. The provincial government decided to hold a provincial work conference on implementing the system of substituting taxes for delivery of profits to the state in late May. All localities should not wait but firmly grasp the opportune moment to achieve production.

From now on, financial and tax departments at all levels should organize forces to conduct work among enterprises and attend to conducting financial, economic, and discipline inspections, and checking up on taxes. All localities and departments should make plans for economizing on expenditures and try to save all the money that can be saved.

5. Strengthen leadership over financial work. All departments should support financial work. Leaders at all levels should proceed from raising economic results to attend to financial work. Attending to financial work may promote increased economic results.

JILIN SENTENCES SIX COUNTERREVOLUTIONARIES

SK190157 Changchun Jilin Provincial Service in Mandarin 1030 GMT 16 May 83

[Text] This morning in Hunjiang City, the Tonghua Prefectural Intermediate People's Court held a rally attended by more than 50,000 people to openly announce sentences on the six criminals of the counterrevolutionary clique of Yan Qinggui who are guilty of counterrevolutionary sabotage. Principal criminals Yan Qinggui, He Xueyi, and Tao Junguo of the counterrevolutionary clique, who are guilty of counterrevolutionary sabotage, and (Zhang Benli), Li Zhijie, and Wang Baojing, who are guilty of the same crime, were sentenced to death, life imprisonment, and fixed-term imprisonment according to the law.

(Xiao Kailiang), deputy commissioner of the Tonghua Prefectural Commissioner's Office, spoke at the rally.

This counterrevolutionary clique and its counterrevolutionary crime of sabotage were cracked in Hunjiang City in January 1982. The Tonghua Prefectural Intermediate People's Court sentenced the criminals on 4 August 1982. Refusing to accept the original sentences, Yan Qinggui and other criminals lodged an appeal. The Jilin Provincial Higher People's Court ruled that the appeal be rejected and submitted its ruling to the Supreme People's Court for approval. The Supreme People's Court approved the ruling.

Jilin Commentary

SK190241 Changchun Jilin Provincial Service in Mandarin 1030 GMT 16 May 83

[Station commentary: "Sternly Punish Counterrevolutionary Crimes To Protect the Socialist System"]

[Text] Since the 3d Plenary Session of the 11th CPC Central Committee, the party Central Committee has made a scientific appraisal of the actual situation in our country's class struggle at the present stage after conscientiously summing up historical experiences.

It has pointed out: After the exploiting class ceases to exist as a class, most of the contradictions existing in our society do not have the nature of class struggle. The class struggle is no longer the major contradiction in our society. However, class struggle will continue to exist for a long time within a certain segment in our society and will likely sharpen under certain conditions. The appraisal of the party Central Committee conforms to the reality of our country.

The series of crimes of Yan Qinggui and other counterrevolutionaries show that hostile elements will seize every opportunity to stir up trouble and commit sabotage. We must never lower our guard against this. We should uphold the Marxist view on class struggle, remain soberminded, and correctly understand and very prudently distinguish and handle the contradictions between enemy and ourselves and the contradictions among the people. We should use the strength of the state's power and legal methods to deal blows at the criminal activities of hostile elements.

Laws formulated by the people under the leadership of the party represent the basic interests of the people. Their mandatory enforcement is guaranteed by the state. They are powerful weapons to protect the socialist system and the people's democratic rights, to attack enemies, to punish crimes, and to educate and transform criminals. Our country's Criminal Law has explicit stipulations on counterrevolutionary crimes. If counterrevolutionaries dare to defy the law and commit crimes, they will be sternly punished by the law.

LIAONING ON STRUGGLE AGAINST ECONOMIC CRIMINALS

SK110828 Shenyang Liaoning Provincial Service in Mandarin 1100 GMT 10 May 83

[Station commentary: "We Must Not Relax Our Efforts To Struggle Against Criminal Activities in the Economic Sphere"]

[Text] Since the issuance of the reform policy by the central authorities, some localities and units, even up to now, have failed to clarify the relations between dealing blows at economic criminals and reforms, and to understand that the struggle against economic crimes has played an important part in promoting and safeguarding the smooth progress of the four modernizations and reform work. They have attended only to reforms and the consolidation of leading bodies and loosened their leadership over the struggle against economic crimes, thus affecting the progress of this work. Such a situation merits the attention of party committees at all levels and of the comrades responsible for dealing blows at economic criminals.

We should note that new situations and problems will arise along with the all-round development of reforms. Therefore, we must pay attention and guard against our understanding lagging behind the situation. Because of our failure to keep abreast of the changed situation and the party's principles and policies, we might wrongly control and deal blows at the proper economic activities that are correct and beneficial to the individual, economic growth, and the four modernizations. This will affect and hinder the smooth progress of reforms.

However, we must not hamper our initiative of adhering to the emphases and scope for dealing blows at economic criminals specifically set forth by the central authorities and the State Council in the course of carrying out reforms and readjusting certain concrete policies. This will also adversely affect the healthy development of reforms.

The policies of the central authorities are clearly defined and economic criminal activities must be unflinchingly banned. All illegal economic criminal activities that should be banned must be resolutely banned. No matter how the situation may change, all unlawful acts such as engaging in smuggling and trading in smuggled goods, embezzlement and accepting bribes, profiteering and cheating, and stealing collective and state property will seriously disrupt the reform policies and the smooth progress of the four modernizations. Party discipline and the state law will not allow this. We must not adopt a wait-and-see attitude in face of prominent economic criminal problems and they must be handled in a timely manner whenever they have been discovered.

We must also note that with the development of reforms, some new criminal activities will surely emerge. Some unlawful persons and party members who are not honest enough have taken advantage of reforms to make trouble and to seek private gains. Therefore, any relaxation of efforts to deal blows at economic criminals will adversely affect the realization of the four modernizations. All in all, reforms do not mean to slacken our efforts to deal blows to economic crimes. On the contrary, we must be more resolute, have a strong sense of policies, and do more meticulous work. In order to safeguard the smooth progress of reforms and the four modernizations construction, we must unswervingly carry out the struggle against criminal activities in the economic sphere in depth and through to the end.

BRIEFS

LIAONING IRON MINE -- Shenyang, 15 May (XINHUA) -- An opencut iron mine in Liaoning Province is being expanded in order to increase annual output of high-grade iron ore by 28 percent. Iron ore reserves at the Nanfeng opencut mine under the Benxi Iron and Steel Company are big enough for extraction over a period of 100 years at an annual production rate of 10 million tons, according to Han Shiyi, deputy manager of the company. The Benxi Iron and Steel Company is among the largest of its kind in China. [Text] [Beijing XINHUA in English 1244 GMT 15 May 83 OW]

LIAONING WHITE OIL PLANT -- Shenyang, 9 May (XINHUA) -- China's first plant for purifying white oil by hydrogenation has gone into production in Fushun, a major coal-mining city in Liaoning Province in northeast China. White oil is widely used in food-processing, pharmaceutical and other industries. The plant was built by the Fushun No. 10 chemical works. It has an annual capacity of 1,000 tons of white oil and can also turn out other by-products. In China, white oil used to be produced by acid treatment. The new plant has simplified the production process, raised the output and quality of white oil and eliminated pollution by using hydrogenating purification. [Text] [Beijing XINHUA in English 1837 GMT 9 May 83 OW]

GANSU HOLDS MEETING ON SUBSTITUTING TAXES FOR PROFIT

HK150831 Lanzhou Gansu Provincial Service in Mandarin 1100 GMT 12 May 83

[Text] At the provincial work conference on substituting taxes for the delivery of profits which started on 9 May, a responsible comrade of the provincial government said: Implementing the system of substituting taxes for the delivery of profits in state enterprises is a major policy decision made by the CPC Central Committee and the State Council and constitutes an important aspect in the reform of the economic management system. It is of great significance to activating the economy and ensuring the steady growth of revenue.

The responsible comrade of the provincial government pointed out: In an effort to do a good job of substituting taxes for the delivery of profits in our province, it is necessary to grasp the following tasks:

1. It is necessary to resolutely carry out the guidelines of the circular of the State Council on substituting taxes for the delivery of profits and to implement the system of substituting taxes for the delivery of profits in an all-round way. With the exception of a small number of enterprises which really have some difficulties in implementing it this year and which, after obtaining approval, may postpone its implementation until next year, all other enterprises should implement the system of substituting taxes for the delivery of profits. Those enterprises which experimented on substituting taxes for the delivery of profits in the past should act in accordance with the unified arrangements of the State Council.
2. It is necessary to protect the rational profits of enterprises and to readjust the irrational level of profit retention. Of the profit contributed by enterprises, the state should get a major portion.
3. As far as enterprises are concerned, it is necessary to give them both vitality and pressure. We should reward the industrious enterprises, punish the lazy ones, and spur on the slow ones. Enterprises should not be allowed to muddle along comfortably or to behave in a lax, undisciplined way. It is necessary to lead enterprises in concentrating attention on improving operation and management, tapping potential, and achieving better economic results. The economic results of an enterprise should be judged primarily in accordance with whether there is an increase or reduction in the profits or taxes delivered to the state, whether the output value has grown in proportion with the sales income, whether the products are readily marketable, whether the designs and colors have increased, whether the consumption and costs have dropped, and whether the productive forces have improved.

The responsible comrade of the provincial government emphatically said: Substituting taxes for the delivery of profits is a major event which involves many aspects and is strongly related to policy. It is absolutely necessary for the government at all levels to strengthen leadership and to form a leading body composed of competent cadres to supervise the work of substituting taxes for the delivery of profits in order to ensure the smooth progress of this work.

Conference Ends 16 May

HK190817 Lanzhou Gansu Provincial Service in Mandarin 1100 GMT 17 May 83

[Text] The provincial work conference on substituting taxes for the delivery of profits which ended yesterday has decided that all enterprises in prefectures and counties should implement substitution of taxes for the delivery of profits.

As for the provincial level, aside from eight trades such as military equipment manufacturing, labor reform factories, agriculture and animal husbandry, grain, food, coal, postal and telegraphic services, and water conservancy, which should postpone the implementation of the new taxes in place of profits system for this year, all the other trades should implement the new system of substituting taxes for the delivery of profits. The conference has decided that all enterprises implementing the new system should calculate their taxes as from 1 January this year, and should begin operation on 1 June. The level of profit retention for these enterprises should remain the same as in 1982. Appropriate adjustment should be made for those enterprises which record retention rates higher or lower than the average. The conference pointed out that two problems should be well solved in the course of implementing the system: 1) Rational benefits should be given to the enterprises without excessive control, so that the enterprises can look forward to better prospects worthy of further efforts. 2) In the course of implementing substitution of taxes for the delivery of profits, fair treatment should be given to the enterprises concerned so that they can feel pressure on the one hand and enjoy revival on the other. Thus the enterprises can increase their profits through improvement of management and marketing, tapping internal potentials, and enhancing economic results, so as to ensure that the state will get the major portion. The conference demanded that there should be a principal responsible comrade at every level of government who would take charge of this work, to guarantee the smooth progress of the work of implementing substitution of taxes for the delivery of profits. Tax departments should consolidate their structure and strengthen the cadre force, and do a good job in professional training. They should take practical measures to effect collection of revenue in the course of the work, so that they can, by all means, fulfill and overfulfill their task of collecting this year's financial revenue.

SHAANXI CPC ADVOCATES PARTY REORGANIZATION

HK190332 Xian Shaanxi Provincial Service in Mandarin 0500 GMT 16 May 83

[Text] A forum held by the provincial CPC Committee on the party reorganization work in experimental units concluded yesterday. The forum pointed out that the current party reorganization work in experimental units is an important preparation for overall reorganization and we must have full confidence in and resolutely carry out the work in experimental units.

From the beginning of this year, 12 units in our province have carried out the pilot project of reorganizing the party. The forum exchanged information about the work in experimental units in the preceding stage and raised demands on further carrying out the pilot project. The forum pointed out that in carrying out the pilot project of reorganizing the party, we must adhere to the principle of putting ideological rectification first and must lay stress on resolving the problems of the political line of party members, wholeheartedly serving the people, and an unhealthy state in the party's political life.

In carrying out the party reorganization work, we must put stress on party member cadres and set higher and more rigorous demands on them. All leading cadres must be good examples. They must take the lead in studying and uprighting unhealthy practice, must influence and guide the masses with their own examples, and must implement the party's policy in carrying out the pilot project of reorganizing the party.

The forum stressed that, proceeding from present reality, it is very important to do well in party reorganization in the experimental units, and it is necessary for us to further emancipate our minds, break old trammels and resolve new problems and break a new path.

URUMQI PLA UNITS URGED TO LEARN FROM ZHANG HAIDI

HK170841 Urumqi Xinjiang Regional Service in Mandarin 1300 GMT 13 May 83

[Summary] "The political department of the Urumqi PLA units today issued a circular calling on all officers and men, particularly CYL members and youths, to actively respond to the call by the CPC Central Committee and by veteran proletariat revolutionaries and immediately to take part in the activities of learning from Zhang Haidi so as to stimulate the building of PLA units."

The circular said that Zhang Haidi is another brilliant model of a young communist following the example of Lei Feng. Party committees and political organs at all levels must fully realize the significance of the activities. All PLA units' CYL organizations at various levels must organize officers and men, particularly CYL members, to study the instructions of the CPC Central Committee, inscriptions of central leaders, and relevant editorials and newspapers articles. Through study, all officers and men must strive to remold their outlook and become a new generation with lofty ideals and morality.

BRIEFS

NINGXIA SILICA DEPOSIT -- Yinchuan, May 8 (XINHUA) -- A silica deposit has been found in the Helan mountain range at Yinchuan, capital of Ningxia Province in northwest China. The deposit which covers an area of 2.48 square kilometers, was located by a Ningxia geological prospecting team. [Excerpt] [Beijing XINHUA in English 0730 GMT 8 May 83 OW]

QINGHAI TIBETAN MEDICAL VOLUME -- Xining, 7 May (XINHUA) -- A 162-year-old traditional Tibetan medical work has been translated into Chinese language and published here. This is the first time a traditional Tibetan medical work has been published in Chinese. "Selected Works on Traditional Tibetan Medicine" contains 120 chapters and sections and presents the basic theory on diagnoses, examination by feeling the pulse and inspecting the urine, and principles for treatment. The translation is based on the wood-block printed original written in 1821 by Losang Qoipe, an expert in traditional Tibetan medicine. Qinghai Province is one of the major areas of China with compact communities of Tibetans. It has built a hospital, set up 8 outpatient departments in county hospitals with more than 600 medical workers on this discipline, and established a research institute to study traditional Chinese and Tibetan medicine. [Text] [Beijing XINHUA in English 0815 GMT 7 May 83 OW]

XINJIANG TELEVISION NETWORK -- Urumqi, 2 May (XINHUA) -- Workers and staff members of the 140 farms and livestock farms under the Xinjiang Production and Construction Corps are now able to watch television. In recent years, a television network has been formed among the farms with the establishment of 26 television recording and relay station. [Summary] [Beijing XINHUA Domestic Service in Chinese 0900 GMT 2 May 83 OW]

I. 19 May 83

C H I N A
PRC MEDIA ON TAIWAN AFFAIRS

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XINHUA CITES HONG KONG PAPER'S SCORING OF TAIWAN

OW181237 Beijing XINHUA in English 1210 GMT 18 May 83

[Text] Hong Kong, May 18 (XINHUA) -- TIN TIN YAT PAO, a Hong Kong newspaper, has criticized the Taiwan authorities for attempting to interfere in the case of the six hijackers who forced a CAAC airliner to fly to South Korea on May 5.

According to foreign news agencies and Taiwan newspapers, the Taiwan authorities sent an 18-member "lawyers delegation" to Seoul on May 15, in an attempt to help the hijackers go to Taiwan. Taiwan has alleged that the incident was politically motivated.

In an editorial published on May 14, the Hong Kong newspaper said the move was "an act of meddling in others' affairs." It accused Taiwan of "showing too much concern" for the hijackers.

"If the South Korean authorities come to the conclusion after the trial that the case 'deserves sympathy' (because they regard hijacking for the purpose of 'insurrection' as deserving sympathy) and, some day, a South Korean airplane is hijacked to another place under similar circumstances, what would they say then? Would they write off the case because it is regarded as 'insurrection'?" the editorial asked.

"In handling major cases of criminal offense, attention must be paid to the possible consequences arising from them," the paper said.

If the hijackers are to be pardoned because they claim to be "insurrectionaries," the editorial said, "how many countries and regions can guarantee the future safety of their civil aircraft?"

It is said that in view of the grave implications of the case the South Korean authorities must deal with it with due strictness and impartiality.

REPORTAGE ON AIRLINER HIJACKING AFTERMATH

Details of ROK-China Cables

OW181409 Taipei CNA in English 1332 GMT 18 May 83

[Text] Taipei, May 18 (CNA) -- The Foreign Affairs Committee of the Legislative Yuan decided today to ask Foreign Minister Chu Fu-sung to report on the latest developments regarding the Trident affair with particular reference to the detention by South Korea of the six freedom seekers.

Taipei is getting increasingly concerned after Korean Foreign Minister Yi Pom-sok openly stated Seoul's hope to take advantage of the incident to establish formal ties with Communist China. A fierce debate occurred on the legislative floor Wednesday after a lawmaker proposed that Premier Sun Yon-hsuan be asked to the Legislative Yuan to give a briefing on the matter.

This morning, the three convenors of the Foreign Affairs Committee met to discuss the issue and decided to ask the Foreign Minister to brief the committee Thursday. Foreign Minister Chu is expected to tell the lawmakers what he knows behind closed doors. If Chu's testimony fails to satisfy the committee, the latter may decide to ask the premier to appear before a full session of the lawmaking body Friday.

Meanwhile, the PAN ASIA NEWS AGENCY reported Wednesday that South Korea had asked Peiping to send a high-ranking official of its Foreign Ministry to negotiate over the Trident incident before the arrival in Seoul of Communist China's civil aviation director. The news agency said it has obtained reliable texts of the cables exchanged between Peiping and Seoul prior to the arrival of Shen Tu and his party on May 7.

The Korean Government did not reply to Peiping's urgent request for permission to send a delegation to Seoul until it received Communist China's ninth cable in which the words "Republic of Korea" were used for the first time, the news agency reported.

In consenting to receive a Chinese Communist delegation, Seoul specifically demanded that a ranking official of Red China's Foreign Ministry be dispatched for the negotiations. After receiving the Korean message, Peiping sent its 10th and last cable on May 6 giving the namelist of the Chinese Communist delegation headed by Shen, PANA said.

ROK Legislators in Taipei

OW181655 Taipei CNA in English 1422 GMT 18 May 83

[Text] Taipei, May 18 (CNA) -- A group of five South Korean parliamentarians led by Shin Jae-hu arrived here Wednesday for talks with Chinese Government officials.

Although their visit is of private nature, they may try to understand the Chinese Government's position on the six freedom seekers who are now undergoing legal proceedings in Seoul.

In view of the Korean Government's handling of the six mainland Chinese freedom seekers, the Chinese Government and people here have expressed deep concern about the case, hoping the Korean Government will honor the aspiration for freedom of the six Chinese in consideration their human rights and political motives. The Korean lawmakers are expected to touch on the topic and hear the views of the Chinese side in meeting with government officials and their counterparts here. Also in the group are Yoo Jae-shee, Chou Chong-ik, Suh Chong-yol, and Jeong Chong-hyon.

Foreign Minister, ROK Ambassador Meet

OW190327 Taipei CNA in English 0310 GMT 19 May 83

[Text] Taipei, May 19 (CNA) -- Foreign Minister Chu Fu-sung met with Korean Ambassador Kim Chong-kon at the Ministry of Foreign Affairs Wednesday morning. Chu expressed the solemn stand of the Chinese Government and asked the Korean Government to clarify the remarks made by its minister of foreign affairs at the Korean National Assembly on May 16 concerning the contact between ROK and Communist China.

Chu discussed with Ambassador Kim on the case involving the six Chinese freedom seekers including Chuo Chang-jen who commandeered a communist airliner to South Korea two weeks ago. It was the third time the foreign minister had met with Kim since the plane seizure of May 5.

Message to ROK Assembly President

OW190331 Taipei CNA in English 0316 GMT 19 May 83

[Text] Taipei, May 19 (CNA) -- The Foreign Affairs Committee under the Control Yuan Wednesday cabled the speaker of the Korean National Assembly urging him to assure that the human rights of the six Chinese freedom seekers who commandeered a Communist Chinese commercial airliner to South Korea will be protected and to help them realize their wish of coming to the Republic of China. The cable was sent after a resolution was adopted at an emergency meeting of the Foreign Affairs Committee in the morning.

Members of the committee also urged the Ministry of Foreign Affairs of the Republic of China to continue to do its best to help the six Chinese compatriots to come to the national revival bastion at an early date. They suggested that the ministry should hire internationally renowned legal authorities to help defend the six Chinese freedom fighters.

COMMUNIQUE STRESSES COOPERATION WITH HAITI

OW181637 Taipei CNA in English 1412 GMT 18 May 83

[Text] Taipei, May 18 (CNA) -- Foreign Minister Chu Fu-sung and Haitian Foreign Minister Jean Robert Estime Wednesday signed a joint communique, pledging to further strengthen cooperative relations between the Republic of China and the Republic of Haiti.

To attain the goal, Minister Chu and Minister Estime, on behalf of their governments, later signed an agreement on cultural, technical, and scientific cooperation to help push ahead programs between the two countries. The ministers, in the communique, stressed their governments' firm stand in respecting international justice, safeguarding world peace and freedom, and defending human dignity. They called on all peace-loving nations and people to join in the common pursuit of stability and progress in the free world.

Foreign Minister Chu highly lauded the economic development and social prosperity in Haiti under the leadership of President Jean Claude Duvalier. He also thanked the Haitian Government over the past years, according to the communique. The Haitian minister said the dedication of the Chinese Government and people towards national development in adversity deserves particular respect and their achievements in politics, economics, and social progress are known worldwide.

On behalf of his government, Minister Estime expressed his satisfaction and appreciation to the Chinese Government for the technical cooperation it had provided to the Republic of Haiti, the communique said. Minister Chu said he is confident that Minister Estime's visit will further expand the traditional friendly and cooperative relations between the two countries.

Minister Estime, in response, thanked the Chinese Government and people for the hospitality they had extended to him and his party during their stay here. Estime arrived in Taipei May 15 for a 4-day visit. During the past few days, he has called on Chinese Government officials, including Premier Sun Yun-hsuan, to exchange opinions on matters relating to both sides as well as the international situation.

VICE PREMIER DEPARTS FOR VISIT TO SOUTH AFRICA

OW190323 Taipei CNA in English 0306 GMT 19 May 83

[Text] Taipei, May 19 (CNA) -- Vice Premier Chiu Chuang-huan and Mrs Chiu left Taipei Wednesday on a weeklong visit to South Africa. In a statement at the Chiang Kai-shek International Airport, Vice Premier Chiu said both the Republic of China and the Republic of South Africa respect democracy and freedom. They are the important forces in stopping communist aggression in Africa and Asia.

Through joint pursuit of these ideals, cooperation and exchange programs on economics, trade, science, and technology, culture and education have been quite successful, and relations between the two countries have moved closer during the recent years, he stated. During his stay there, Chiu said he will call on South African Government officials to exchange opinions on matters of mutual interest. On behalf of the government, he will visit Overseas Chinese to convey his regards. He said he is sure that his visit will further promote understanding and help expand the friendly and cooperative relations between the two countries. Other government officials going along with the vice premier include Vice Foreign Minister Edward Y. Kuan and Tsai Wen-sen, vice director of the African Affairs Department under the Foreign Ministry.

CHINA POST REPORTS ON PENGHU MILITARY EXERCISE

OW180628 Taipei CHINA POST in English 14 May 83 p 12

[Excerpt] To test the combat readiness of the Republic of China [ROC] Armed Forces and the public, military authorities launched a military exercise in Taiwan and Penghu from May 6 to May 13 with tanks, warships, jet fighters, and 50,000 troops demonstrating their military might. The last day of the event, yesterday, was highlighted by the launching of the "Rapid Thunder" military exercise in Penghu yesterday morning. The maneuver was also aimed at helping ROC military servicemen understand and experience the joint operation of ROC forces. The last day of the exercise indicated the efficiency and capabilities of the armed forces.

According to the Ministry of National Defense, 98.64 percent of reserve officers answered the call to take part in the exercise. Newsmen invited yesterday to a demonstration of land, sea, and air firepower witnessed the firing of five different kinds of antiship and anti-aircraft missiles in the Taiwan Strait near Penghu.

Military spokesman General Wang Miao said the exercises helped demonstrate the ROC's military capacity to maintain national security. General Hau Pei-tsun, chief of the General Staff, said Thursday at a dinner with military reporters that the demonstration of military strength is aimed at shattering the Chinese Communists' ambition to invade Taiwan. He said that under the leadership of President Chiang Ching-kuo, the efficiency and quality of the Republic of China's Armed Forces have been further improved, and that the armed forces are confident they can maintain superiority over the Communist forces to defend the people on this island bastion.

HSIN PAO CITES BRITISH LETTER TO ZHAO ON TALKS

HK181318 Hong Kong HSIN PAO in Chinese 14 May 83 p 1

[Report: "China and the United Kingdom Make Official Arrangements for Talks"]

[Text] China, through a pro-China journal in Hong Kong, has spread the news to some media that talks over Hong Kong's future are going to begin. Following the disclosure of the news by an evening newspaper which quoted a source yesterday as saying that the Conservative Party government of the United Kingdom had adopted a compliant attitude on the issue of Hong Kong's sovereignty, the Hong Kong Government immediately issued a statement denying the authenticity of the report. Sources from the pro-China journal disclosed that a senior official of the Foreign and Commonwealth Office of the United Kingdom pointed out to the journal that "the United Kingdom is going to make political withdrawal from the Hong Kong issue and will make a concession on the problem of sovereignty."

Hong Kong Government Denies British Concession

Sources from the pro-China journal also disclosed that the Sino-British talks will begin in Beijing in late May and will be held according to China's "formula," which means that the talks will, on the basis of Britain's acknowledgement of China's sovereignty over Hong Kong, be held in two stages.

In the first stage, the talks will focus on how to maintain Hong Kong's prosperity and stability in the 14 years from now to 1997, and on how to complete the transition of sovereignty and rule.

In the second stage, the talks will focus on Sino-British cooperation in post-1997 years. Sources from the pro-China journal stressed that after 1997, Britain will have no right to be concerned about Hong Kong's political system. The so-called Sino-British cooperation will only involve such problems as the continued issuance of banknotes of Hong Kong dollars by the Hong Kong and Shanghai Banking Corporation and the Chartered Bank, and the intangible benefits to Britain of take-off and landing rights at the Kai Tak Airport.

In its statement yesterday evening, the Hong Kong Government refuted the report, saying that negotiations are being carried out in Beijing and its content must be kept secret. On reports that Sir Edward Youde, the governor of Hong Kong, will go to Beijing to take part in the talks at the end of this month, the statement only expressed that the governor has no plan to visit Beijing for the time being and, as disclosed in the past, will only take part in the talks at an opportune time. The statement particularly pointed out that the present situation in the talks and the position of Britain as disclosed by the report did not correspond with the facts. And the London side also confirmed that no official of the British Foreign and Commonwealth Office or other offices had made any comment on the issue.

This paper further investigated the report and statement and, after summing up all reliable information from various sectors, has confirmed that a breakthrough has indeed been made recently in the Sino-British talks over Hong Kong's future.

Reportedly, in a letter to Chinese Premier Zhao Ziyang more than a month ago, the British Foreign and Commonwealth Office once again stressed that China should not set any precondition to the talks. In other words, the talks should not be held merely according to China's position, namely, the acknowledgement of China's sovereignty over Hong Kong. But the letter went on to say that Britain would not object to opening the negotiations with China adopting the attitude that it has sovereignty over Hong Kong and the sovereignty issue itself should be an item on the agenda. Subsequently, China expressed that arrangements could be made for the talks, which changed the stalemate in the talks.

Furthermore, both sides agreed that preparatory talks before next month's British general elections and China's Sixth National People's Congress would specifically discuss technical problems in future official talks.

The first meeting of the preparatory talks will discuss the venue and time of the negotiations proper. It also will work out the number of officials taking part in the negotiations and who they should be.

The second meeting will be for both sides to provide their respective positions as to how to best maintain prosperity and stability in Hong Kong.

According to information this paper has collected, Britain has maintained a consistent stand on how to administer Hong Kong in the future, that is, any agreement reached between China and the United Kingdom must also be approved and accepted by the people of Hong Kong. Whatever the future administration system in Hong Kong, the reasonable transformation must be one which is connected to the present form of rule with the British included.

Real Talks Will Begin After the General Elections

Essential talks between China and Britain over Hong Kong's future will begin only after the British general elections.

Yesterday evening, the Hong Kong Government issued a statement, in which it quoted the remarks made by Lord Belstead when visiting Hong Kong last December that Hong Kong people should not be misled by hearsay or rumors outside the talks, and the only truthful news should be official communiques about the development of the talks.

NPC'S LIAO CHENGZHI DISCUSSES HONG KONG'S FUTURE

HK090719 Hong Kong HSIANG KANG SHIH PAO in Chinese 9 May 83 p 4

["Own dispatch: Communist China Does Not Guarantee To Honor Its Promises on Hong Kong's Future" -- "Witty Monologue of Liao Chengzhi"]

[Text] Liao Chengzhi, "vice chairman of the National People's Congress" of Communist China, once again made his "witty comment" on the so-called problem of Hong Kong's future: After "the recovery of sovereignty" in the future, no one can guarantee to honor the currently made promise of "maintaining the status quo."

The above comment was made during a talk last week when Liao Chengzhi received a visiting delegation composed of leaders of various circles in the New Territories.

Liao Chengzhi declared at the meeting: A resolution regarding the problem of Hong Kong's future will be reached 2 years from now at the latest and the sovereignty over Hong Kong will be recovered by Communist China in July 1997 at the latest. It is certain that Hong Kong will then be managed by Hong Kong people with slight changes in the political system.

A member of the delegation asked: Can we rely on the comments made by "Vice Chairman Liao?" Can there be any guarantee?

Liao Chengzhi replied: Basically it can be so. But one thing should be made clear. He (Liao himself) was once a member of the KMT, and is now a member of the Communist Party. In the times of the KMT, he was once sentenced to 4 years in prison and in the time of the Communist Party he was also once put into prison for 6 years. Now he is so old that he thinks that he may be able to work for another 5 or 6 years at most. No one can be sure whether or not the future successors will keep the promises made by their predecessors. Therefore, if there is something "to be afraid of," this something should be "the successors." People may "rest assured" that promises made by the present authorities will be kept by these leaders and there is nothing to be afraid of.

This statement of Liao Chenzhi, which sounds like "a plaintive whine when a man approaches his doom," fully exposes his irresponsible attitude toward the problem.

With regard to the problem of "holding talks," Liao once again expressed his idea which is against the participation by the Hong Kong Government, because Communist China does not wish to see the appearance of a so-called "three-legged chair." It is not clear whether Liao's comments hinted that it would be inappropriate for the governor of Hong Kong to take part in the "talks."

Further Report

HK130108 Hong Kong SOUTH CHINA MORNING POST in English 13 May 83 p 12

[Text] China will come up with a practical way of dealing with the future of Hong Kong in about two years time and it will be acceptable to both sides of the negotiation table, according to the vice chairman of the Chinese National People's Congress, Mr Liao Chengzhi.

There will be no military take-over or anything to be afraid of. But it is unlikely that Hong Kong will have its own representatives taking part in negotiations because Hong Kong is considered by China to be "on the same side."

Mr Liao was speaking to a delegation of about 30 businessmen and industrialists from the New Territories, headed by Mr Tsang Kwong-cho and Mr Lau Sum-pao.

Others included members of district boards in the New Territories, such as Mr Cheng Mui-tin of Yuen Long, Mr Chung Poon of Sai Kung, and Mr Lau Sum-pao of North District.

Mr Liao told them that although Hong Kong will not have its own representatives, the opinions of Hong Kong people from different walks of life will be welcomed and seriously studied by Chinese officials.

But Mr Liao did not accept the "three legged stool" notion.

China has always considered Hong Kong as part of its territory and therefore negotiations could only take place between China and Britain. And China will continue to take an active role in the prosperity and growth of Hong Kong, according to Mr Liao.

Should Hong Kong need financial assistance, China will lend a helping hand. But Mr Liao also stressed that Chinese sovereignty was important even though the territory would be run by the people of Hong Kong with Britain taking up the role of adviser.

Allowing Hong Kong people to rule Hong Kong was considered to be the most feasible solution and China was working toward such an end, he said. Mr Liao was asked whether the Rotary Club or similar organizations would be allowed to continue in Hong Kong after 1997, and his answer was a resounding yes. Mr Liao said such bodies could only strengthen international ties with Hong Kong.

Other questions involved land premium and property ownership after 1997, the answers to which would have to be decided by the people of Hong Kong, he said. He stressed that there was no need to be afraid of "communists" just walking in and taking over. There would be as few changes as possible.

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